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Statement

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NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY
MINISTER OF FOREIGN AFFAIRS
TO THE PARTNERSHIP SUMMIT OF
THE CONFEDERATION OF INDIAN INDUSTRY

"CANADA-INDIA PARTNERSHIP: PROSPERITY AND SECURITY "



CALCUTTA, India
January 10, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



Government
of Canada

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Namaskar! It is both an honour and a pleasure to address this distinguished group of Indian and Canadian business leaders.

The first step on the road that brought me here today was the visit of Prime Minister Chrétien at the head of the ground-breaking Team Canada mission to India, one year ago. That visit, as you may recall, brought seven provincial premiers, two cabinet ministers and representatives of over 200 Canadian companies to India. Exactly a year ago today, January 10, the Prime Minister inaugurated Canada Day at the Confederation of Indian Industry (CII), which honoured Canada as your Partner country and gave the Team Canada visit to India a most successful launch. We are most grateful to the CII for this all and for the support it has given to strengthening our business links.

That visit signalled a bold new chapter in India-Canada relations. And it could not have come at a better time. Both our countries have been re-situating themselves in the changing international social, political and economic environment. In Canada's case, the end of the Cold War has allowed us to expand our ties with a great many more nations, just as it has created the need for more international co-operation.

For India, your new economic dynamism has expanded your interest in trade and the corresponding need for a stable international environment in which trade can flourish. As India becomes increasingly engaged internationally on both the political and the economic fronts, it is emerging as one of the major world players of the 21st century. Canada recognizes this, and we want to give India the priority it deserves in our foreign relations.

As we face the challenges and seize the opportunities that the new international environment presents, we have the chance to build a strong and lasting partnership. By partnership I mean a relationship based on mutual respect and complementarity; a relationship in which both sides benefit; and a relationship that is wide-ranging and balanced.

I would like to outline for you today some of the steps that we in government have taken to build this relationship, not least by encouraging and facilitating private sector partnerships. And I would like to speak to two of the most significant aspects of our bilateral relations: economic ties, and co-operation in security.

Building on Team Canada

The Team Canada visit launched the reinvigoration of Canada-India relations. It was followed by the visit of Minister Gujral to Canada in September 1996. This highly successful visit was crucial to maintaining our momentum and laying the foundations for agreements we have now reached. Another key event was your [Confederation of Indian Industry] visit to Canada in June 1996.

In response to Minister Gujral's invitation, I have in my turn come to India. On Wednesday, I met with him to discuss ways in which we could make this enhanced relationship a reality. We agreed to form a Joint Ministerial Committee, which will allow us, along with our respective cabinet colleagues, to consult regularly on a wide range of political and economic issues as they arise.

I will be meeting Minister Gujral again on Monday to officially open the new Canadian office in Chandigarh, the capital of Punjab and Haryana states. This office, in addition to assisting visa applicants, will help build contacts between Canadian and Indian businesses active in the region. It will complement our recently opened trade office in Bangalore and our newly appointed Honorary Consul in Madras. To further expand the services we provide to Canadians, we also intend to appoint an Honorary Consul in this city, Calcutta, in the near future.

As you know, I have not come to India alone on this visit. Building on the Team Canada approach pioneered by our Prime Minister, I am accompanied by a distinguished group of Parliamentarians and the Attorney General of the province of British Columbia. As a sign of the importance of trade and investment in our relationship with India, I have also taken advantage of my visit here to lead a delegation of representatives of Canadian businesses in the telecommunications, insurance and science and technology sectors. These companies are world leaders in their fields, and they have much to offer India and other countries.

Economic Relations

The expansion of our trade and investment ties is a major element of our enhanced relationship. As a result of the Team Canada visit, 75 business deals worth over \$3.3 billion were signed, over 95 per cent of which are still active. Canada-India trade in 1995 totalled almost \$1 billion. We have seen a dip in trade figures in 1996, but the size of India's market and its rate of growth suggest that our trade could grow significantly in the years to come.

Another reason to predict growth in trade is the complementarity of our two economies. For its part, Canada has much to offer India in terms of high technology as it expands and upgrades its infrastructure. This is particularly the case in the four sectors that we have chosen to focus on: telecommunications and information technology; power and energy equipment and services; oil and gas; and environmental products and services. Canada also has a great deal to offer in the service sector, including engineering and financial services.

In addition to trade, we will be encouraging greater Canadian investment in India. Canada was the ninth-largest direct investor in India in 1995; we hope to move up in the standings in the coming years. The Bell/Tata communications project in Andhra Pradesh will be a major factor in boosting Canadian investment.

Investment is not a one-way street either; Indian companies are increasingly investing in Canada. These are smart companies. Investing in Canada gives them free market access to the United States and Mexico through the North American Free Trade Agreement, as well as to Chile and Israel through bilateral free trade agreements. And these investments will benefit India, as the profits these companies make are repatriated to those who invested in them.

Economic Reform

The driving force behind trade and investment, and potential growth in trade and investment, is the private sector. It is people like yourselves. One of the key roles of government should be to facilitate and encourage your efforts. That is why the program of economic reform that India has undertaken is so crucial.

Minister Gujral and I signed an agreement and witnessed two others that exemplify the role of government as a facilitator of reform and liberalization. They involve co-operation in developing India's private sector, in energy infrastructure, and in improving tax administration. Canada will provide development assistance funding for these projects totalling almost \$30 million.

India is to be commended for its perseverance in the reform of its economy. We in Canada know from our own experience with fiscal deficit reduction and trade liberalization that reform does not always satisfy everyone. But we have also found that efforts in these areas can have a substantial positive effect. In the five years since Canada entered the North American Free Trade Agreement, for example, our exports of manufactured products have grown from one third to close to half of production. What is more, the greatest strides were accomplished in areas liberalized under the Free Trade Agreement.

Our experience has convinced us that open economies tend to do better at absorbing new technologies that are essential to sustainable growth. Open economies are forced to compete with the world's most successful exporting countries, and they can more easily adapt because they are constantly exposed to international markets. Again, it is the private sector — business people like yourselves — who are most directly exposed to these benefits of an open, liberalized economy.

Co-operation in Security

Governments today may be leaving the centre stage of economic relations to the private sector. But they remain front and centre in guaranteeing the most basic conditions necessary for economic growth: peace and stability. Seventeen hundred years ago, the great Indian poet Kalidasa wrote that "a prosperous State is heaven on earth." To maintain that heaven on earth, the State must be at peace. Without a basic level of security, prosperity could not survive long.

A good example of the link between prosperity and security is the agreement recently signed by India with Bangladesh on the distribution of Ganges water. This was a positive move, which, by improving relations and regularizing access to an important natural resource, has made both countries more secure. It also allows both sides to provide for basic economic and human needs in a stable, predictable environment.

As a major power and emerging global economic force, India has a key role to play in international and regional security. Canada is eager to work with India in enhancing security and prosperity in a wide range of issues and institutions. With our shared democratic values, India and Canada see eye-to-eye on many security questions, including those relating to Asia.

India and Canada have a long history of co-operation in international security, including our joint efforts under international auspices to bring peace to Indochina, to Cambodia and to the former Yugoslavia. The challenge before us now is to adapt and work together to combat new types of security threats in a rapidly evolving international environment: terrorism, drugs, environmental degradation and the abuse of human rights.

In the face of these threats, Canada and India must continue to co-operate effectively, be it in the ASEAN [Association of Southeast Asian Nations] Regional Forum [ARF], in the UN, or bilaterally. To do this we must forge the new tools required to make our multilateral institutions and international diplomacy in general more effective.

Indian participation in the ARF, which is emerging as the main forum for institutionalized security co-operation and dialogue in Asia, is crucial. Canada was glad to support India's successful bid to join the ARF last year. We look forward to India's contribution to the ARF's work, and to India's assistance in making the ARF stronger and more active.

In terms of regional security, Burma is just one example of the key role played by India. As the world's largest democracy and now as a member of the ARF, India is well placed to deal with a

regime whose internal problems and poor human rights record are destabilizing to the surrounding region.

If we look more broadly at human security, there is much that Canada can do to work with India to improve poverty-driven problems, such as child labour or environmental degradation. These are issues that concern both Canadians and Indians for a range of reasons, including the social and economic instability and damage they produce. I have discussed the issue of child labour extensively with Minister Gujral, and I will be announcing some of the ways in which we will co-operate in this regard later today.

Looking Ahead

The new chapter in relations between our two countries does not end with the agreements I have described to you today. Looking ahead in 1997, we hope to hold the first meeting of the Joint Ministerial Council in Canada in the first half of the year. In February, Canada will be participating in CII's 1997 international engineering trade fair as the partner country for environment.

As host of the APEC [Asia Pacific Economic Cooperation forum] process, Canada's attention will be very much focussed on Asia throughout 1997. In this role, we will continue to press for Indian membership in the APEC Working Groups to which it has requested entry. Canada will press for accession criteria that will enable India to join as a full partner.

At the same time, Canada will hold a whole series of activities as part of our Year of Asia Pacific. Our aim is not only to heighten Canadians' awareness of APEC members and other countries of the Asia Pacific region, but also to strengthen the human ties that bind us to the region. In March, India will be featured at the Team Canada Business Conference in Toronto and in the Asia Pacific week in Atlantic Canada. This will be followed by meetings of the Canada-India Business Council in Vancouver, Toronto and Montreal in April. And in June the Indo-Canadian Chamber of Commerce will celebrate its 20th anniversary in Toronto.

Conclusion

Building up the relationship between India and Canada to reach its full potential will take time. Our aim is a partnership that is rich, comprehensive and balanced. It should include co-operation not just in the two areas I have focussed on in my remarks today — economic ties and security — but in equally significant areas, such as development assistance and cultural and educational exchange.

History shows that Indian philosophy and culture enriched the lives of the people of Southeast Asia through trade, not conquest. Canada looks forward to enhanced trade relations with India that will offer not only mutual financial rewards, but the opportunity to enrich each other spiritually and culturally through greater contact.

A future in which Canada and India work closely together is not just wishful thinking. We have much in common, including deep democratic roots, shared Commonwealth traditions and a commitment to a just and stable world. We also have important human ties. Over half a million Canadians trace their origins to India; that's a large number in a country of only 30 million.

But our human links do not end there. They are built through every contact we have with one another, including the growing ties between business people on both sides. As members of the business community, no one knows better than you the meaning of the word partnership. You can play a key role in making our relationship a true partnership, one that strives toward our mutual goal: that of a more just, secure and prosperous world.

Thank you.

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Statement

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AN ADDRESS BY
THE HONOURABLE ART EGGLETON
MINISTER FOR INTERNATIONAL TRADE
ON THE OCCASION OF THE
KOREA-CANADA BUSINESS COUNCIL MEETING

SEOUL, Korea
January 13, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Minister Ahn, Mr. Chairman, ladies and gentlemen:

I'm delighted to be here in Seoul. It's a real pleasure to meet with the Korea-Canada Business Council and with the Canada-Korea Business Council, which together are doing such a great job to promote trade and investment between our two countries.

So thank you for the work you are doing - it is appreciated.

Over the past few weeks, I have been in Shanghai, Santiago, Chile, Singapore for the World Trade Organization (WTO) meeting, Beijing, Mexico and now Korea, the Philippines and Thailand as part of this Trade Mission. And as I travel, I am becoming sensitized to the difficulties that language can sometimes bring.

I was recently reminded of some of the problems that the world's leading companies have run into when their advertising campaigns have been translated into another language.

For example, Pepsi had some problems in Taiwan when it's slogan, "come alive with the Pepsi generation" was translated as "Pepsi will bring your ancestors back from the dead." Truth in advertising made them rework that one.

And Coke has had its share of problems too. "Coca-Cola" was originally presented in China as "ke-kou-ke-la." Only after thousands of billboards had been printed did Coke learn that that phrase translates as "bite the wax tadpole."

And when Parker Pens marketed a ballpoint pen in Mexico, its ads were supposed to read, "It won't leak in your pocket and embarrass you." Unfortunately, the Spanish word "embarazar" doesn't mean embarrass. So the ads ended up saying "it won't leak in your pocket and make you pregnant."

So I offer these examples just as a caution to all of you who use translation services! I'm sure none of you would want to advise your customers to "bite the wax tadpole."

But language is just one of the challenges facing those of you who work in a country other than your own and who seek to promote wider commercial relations. Another problem is profile and convincing your hosts to pay more attention to your home country.

Today, I hope Team Canada will help to raise Canada's profile here in Korea, because I really believe that there is remarkable potential, just waiting to be tapped.

Thanks to your efforts and those of others, Korea and Canada have already established a significant trading relationship. Korea is Canada's sixth-largest export market and our third-largest in Asia. In 1995, Korea imported about \$3.2 billion worth of products from Canada, a 28 per cent increase from the year before. And we rank as your 12th-largest trading partner

overall. In 1995 Canada exported \$2.73 billion worth of products, a 24 per cent increase from 1994.

Canadians are major consumers of Korean electrical and electronic equipment, as well as machinery and vehicles. Hyundai, Daewoo and Samsung are as familiar in Canada as they are here. The challenge facing Canadians is to make CCM, Bombardier and Northern Telecom as familiar in Korea as they are in Canada.

In 1995, two-way merchandise trade reached \$6 billion. Our trade is large and growing, but the relationship between us is built on more than just trade. While it may not seem so on the surface, our two countries have much in common.

We share similar views on trade and investment. We are both keenly aware of the importance of freer trade and of a rules-based system to guide it.

We both place a high value on educating and training our people so that they can compete in the world of tomorrow.

We are both members of the Organization for Economic Co-operation and Development (OECD) and the Asia Pacific Economic Co-operation forum (APEC), where we are pursuing common objectives on a number of fronts.

We both stand as middle powers in an increasingly competitive and globalized economy, with similar challenges and opportunities, similar concerns and possibilities.

It is little wonder then, that President Kim and Prime Minister Chrétien agreed, in 1993, to establish a "Special Partnership" between Korea and Canada.

And through the Special Partnership Working Group, we have found ways to break down old barriers and open up new opportunities.

Just last week, we signed a new agreement — recognizing each other's telecommunications, radio and information technology equipment. This will mean faster approval and authorization for telecommunications equipment in each country.

All of these developments are good news for Koreans and they are good news for Canadians. They will help to create jobs in both countries.

But great as our progress has been and impressive as our trade figures may be, we know that we still have a long way to go if we are to realize the full potential of our relationship. That is why the Prime Minister and I, as well as the Premiers and hundreds of Canadian business people are here in Korea. That is why we are exploring opportunities, forging new relationships and

investing our time and effort. And that is why the work you are doing is so important.

Canada has a clear vision of what our future together can be. We have identified specific goals and set specific targets. Our aim over the next five years is to increase two-way trade between us by 10 per cent annually. When that goal is met, in 2001, total trade will stand at \$8 billion.

And we have a clear sense of what we have to do to get there. Important as state visits are and as essential as government support may be, in the final analysis, the trading relationship between Korea and Canada will prosper primarily through the efforts of individual companies – through the energy they bring, the relationships they establish and the products and services they provide.

In this age of sophisticated products and services, it is no longer good enough to simply drop off the package at the door, leaving the customer to assemble the contents and make the product work through trial and error.

Today's customers demand service, and the Canadian companies on this Team Canada Mission are ready to provide that service. They are prepared, whether through joint ventures, licensing arrangements, investments or other means, to create the partnerships that will ensure long-term customer satisfaction. Our Korean customers demand no more and they deserve no less.

Now, let me just say a word on the progress Korea is making in liberalizing its economy. The opportunities for Canadians to do business in Korea have been greatly enhanced by the far-sighted efforts of both the Korean government and private sector.

President Kim's program to reduce government intervention in the economy is providing a sound basis for optimism. The lowering of trade barriers, for example, means that Canadian firms are entering and enlarging your markets – either directly or through joint ventures. And increasing the transparency of trade-related policies is enhancing the confidence of Korea's trading partners around the world.

Canada welcomes these efforts while acknowledging your legitimate interests in ensuring sound practices in the areas of land use, the environment and industrial safety.

At the same time, Korea is enhancing its capacity to win new markets in Canada and elsewhere by increasing its competitiveness. The increased spending on research and development – projected to reach almost 4 per cent of GDP by next year – is providing a strong foundation upon which to build a more competitive nation.

We fully support the efforts of Korean firms to win new markets in Canada. Trade is a two-way street, and both sides will benefit from the quality of goods and services the other provides.

Moreover, we encourage Korean companies to use Canada as a base of operations, from which they can gain entry into the huge North American market, under the North American Free Trade Agreement (NAFTA) — an agreement, I might add, that we hope will shortly include Chile as well as Mexico and the United States.

Canada has much to offer Korea. As this country sets about upgrading its infrastructure, Canada stands ready with world-class technology and expertise. And as Korea expands its industrial base, we can supply the natural resources and raw materials you will need.

There are also exciting opportunities to combine our efforts in third countries. Why not, for example, bring together Canadian expertise in architectural design and engineering with the superb Korean construction industry to take on major projects in other countries?

And of course, it is not only trade, but also investment that must increase between us. The financial market reforms of your government, which include an easing of restrictions on investment flows, are very encouraging. Now that the policies are in place, we must avail ourselves of the opportunities they present — opportunities like the lower borrowing costs that are available from abroad and the greater capacity to promote investment and growth.

If we can capitalize on these kinds of opportunities, both Korea and Canada will succeed in generating the economic growth that will lead to good jobs and good incomes for our people.

Of course, the Korean-Canadian relationship is not without its problems. But I am confident that these issues can be resolved, and resolved to the benefit of both countries, by continuing to work through the Special Partnership Working Group and by maintaining the atmosphere of mutual respect and trust that has been created.

I believe that the plans we have made and the work we are doing will go a long way to improving the visibility of our respective countries. They will continue the important work you have begun and set us on a course of even greater co-operation and partnership.

While geography has not made Korea and Canada neighbours, history has made us friends. Now, commerce is making us partners.

The contracts Team Canada is signing this week are evidence of our interest and proof of our sincerity. But they are only the beginning. Let us resolve to work together to realize the vast potential of the Korea-Canada relationship. Together, let us promote trade and expand opportunities for citizens in both countries. And together let us conquer third markets, knowing that by combining our efforts, there is little we cannot do.

Thank you.

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Statement

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NOTES FOR AN ADDRESS BY
THE HONOURABLE ART EGGLETON,
MINISTER FOR INTERNATIONAL TRADE,
ON THE OCCASION OF A PANEL DISCUSSION
"CAN CANADA MAINTAIN ITS CULTURAL
IDENTITY IN THE FACE OF GLOBALIZATION?"

OSGOODE HALL LAW SCHOOL,
YORK UNIVERSITY

NORTH YORK, Ontario
January 27, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



As Minister for International Trade, I have the pleasure of presiding over a department where most of my so-called problems are caused by expansion and growth. Canadians have doubled their overall exports in the past decade, selling more value-added products and services abroad than ever before. Such initiatives as the Team Canada missions and trade agreements such as the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO) help us to secure international markets for our exporters. But, it is the private sector, business and consumers, who are breaking down walls, reaching across borders, and knitting together a global economy from the bottom up.

Since this new economy is driven by information, it is not surprising to find that this export trend is growing nowhere more rapidly than in the cultural sector.

Hand-in-glove with the development of a global marketplace has been the creation of a global stage. Film, television, music and books have become international enterprises with international audiences. The growth of the Internet and multimedia publishing has hastened this trend and deepened its impact.

These changes have been rapid, but Canadians have been just as quick to respond. For instance, Canadian film and video producers now earn almost a third of their home entertainment revenues from foreign sales. Canadians sell more television programming abroad than any other country, next to the United States. Canadian songwriters and composers earn more royalties for the use of their music abroad than they do in Canada.

Canadian culture is experiencing an export boom of unprecedented proportions. Between 1990 and 1995, foreign demand for Canadian cultural goods and services abroad rose by 83 per cent, accounting for \$3 billion in export sales. The cultural sector gets nearly 10 per cent of its revenues from exports, and foreign sales are associated with more than 50 000 jobs in the cultural field. Exports also offer great potential for new jobs in the area of culture, particularly among small and medium-sized businesses.

Canada's artists, writers and performers have always known that the domestic market for their work is small, which is one reason they have fought to secure their fair share of it. But their ability to survive in the long term will depend on their ability to find an international audience for their works.

Yet, many of the federal government's cultural policies and programs were designed three decades ago. Then, the national concern wasn't access to world markets, but Canadian access to the Canadian market.

Since then, times have changed. The world of technology and trade are not recognizable from a decade ago, yet the instruments

that we use to promote Canadian culture have not changed. As I see it, this raises two important issues.

The first issue is raised by technology. Digital communications technology has given us the potential to deliver our culture abroad in ways we could not have previously dreamed. On the other hand, this same technology has had a profound impact on the management of Canadian content rules.

At the same time, freer trade has opened the door to world markets for our cultural exports. But our own limits to foreign ownership in the cultural industries have had the effect of denying our creators access to capital.

So, I would like to take the opportunity of this panel discussion to raise a few questions about culture and trade. I don't have the answers to these, but I think the time has come to discuss them.

Are the instruments designed to promote Canadian culture at home in fact hindering its success abroad?

Are restrictions on foreign investment and Canadian content quotas still necessary, or have they become obstacles to cultural expansion?

I must interject that there is no question about the need for a strong Canadian culture. My government understands the need for this country to read its own stories, hear its own music and see its own performances.

The survival of the strong, distinctive, Canadian voice is closely linked to the survival of a strong and distinctive Canada. Culture can take the form of goods or the form of services, but at root it is neither of those things. It is the expression of everything that makes us, collectively, Canadians and no other.

The question is not whether we ought to support Canadian culture, but how best to support it, employing realistic determination.

For instance, our cultural policies were historically designed to support "hard" cultural goods, like magazines, books, sound recordings and film. But increasingly, cultural products are taking the form of "soft" electronic transmissions. Magazines, including such Canadian publications as *Maclean's* and *Saturday Night*, are appearing on-line. Newspapers, books, films and sound recordings can be distributed electronically or stored on compact disk.

How are we to regard these on-line cultural products? Are they a cultural good or a service? It makes a difference in trade

agreements. How can these products be regulated? How can the contents of cyberspace even be monitored, let alone controlled?

Our thinking about Canadian culture is not being challenged by technological change alone. Our cultural policies are coming under closer examination, as Canada is increasingly obliged to follow international trade rules as the price of admission to the global marketplace.

Are we doing the best we can to ensure Canadian culture a place in this world market, by removing culture from the fold? Our approach has been to exempt cultural industries from our trade agreements. But does it make sense for us to remove culture from an area where we have so much at stake? Should we not negotiate trade rules that reflect Canada's cultural interests?

I am not driven by some hidden agenda to advance commercialism over culture. My agenda is driven by the knowledge that we must respond to changes in world trade and communications, or our culture will be left behind. The global economy will have an impact on national cultures at least as great as its impact on national economies. I want Canada to be prepared for these changes, with policies that are appropriate to the times.

Historically, Canada has used three policy instruments in support of culture: subsidies, ownership restrictions and content controls. From my perspective, subsidies are the least problematic. Of course, I might see things differently if I were the Minister of Finance, since subsidies are the most draining on the Treasury.

But, from a trade perspective, I must ask whether our cultural interests are best served by the blunt instruments of limits on foreign investment and control of Canadian culture.

Canadian content requirements have been the source of irritation at high public levels in the United States for some time, while foreign investment restrictions in the cultural industries run counter to the international trend toward the free flow of capital. Both are a source of concern to our trading partners. This is not a sufficient reason to change these. But it is worth asking whether these instruments continue to be useful, particularly if they are having an adverse side effect.

For instance, investment limits were designed to achieve Canadian definition and control of Canadian cultural industries. But do they achieve that goal? For one thing, investment controls are based on the assumption that effective control of a company requires ownership of more than half its shares. Yet, it is quite possible for a minority block of shares to have control of a company, even if it is held by a foreign interest in a minority position.

At the same time, international investment is not made easier in a climate where federal instruments in support of culture are applied in a patchwork fashion, inconsistent from one sector to another and unclear in their goals.

Christopher Maule, a research professor of economics at Carleton University with a particular interest in international trade and the cultural industries, has summarized the hodgepodge of Canadian content rules as follows:

Newspapers and books have no content controls, neither do magazines unless they are considered split runs.

Theatres can show what they want, except in Quebec where French-language dubbing rules apply.

Broadcasters and cablecasters are subject to Canadian content rules but video stores, bookstores and music stores can carry what they like.

Thus...a New Zealand-made film about Pierre Trudeau would not be considered Canadian content, [although] a Canadian-made film about Nelson Mandela would."

I have a hard time understanding clearly which cultural imperatives are being advanced by which instruments on such an uneven field.

I know Mr. Ondaatje is a fine writer and the *English Patient* was an excellent film — I just don't know whether the film would qualify as Canadian content.

This type of international creative undertaking will become the norm, rather than the exception, in all kinds of cultural activity. This is already the case in film making, publishing and recording, but the transnational flow of creative works through the Internet will only hasten this trend.

Should we have an open policy on culture and trade? To quote Christopher Maule again, this time from a working paper prepared for the Carleton Industrial Organization Research Unit, in collaboration with his colleague, Keith Acheson:

By including culture in more formal arrangements with other countries, Canada will lessen the chances of generating an escalating trade war. The informal structure will be strengthened by more liberal foreign ownership rules. It will still bear the brunt of resolving conflicts, but will be more predictable because of the possibility of calling on formal dispute resolution mechanisms.

To some, the support of an open policy is just a code for favouring commercialism at the expense of culture. We disagree. The current policies have become symbols of concern with culture, but the reality is that the policies distort the business of culture while doing little to encourage content that is identifiably Canadian, however that is defined.

The trend to open markets and communications is global and irreversible. The world tomorrow – in all likelihood the world just around the corner – will be marked by the frictionless, instant, international transaction of information. Encoded in much of this information will be bits, or bytes, of Canadian culture.

In such an environment, the fundamental question might not be whether Canadian culture should be exposed to trade rules. The question is how the rules of international trade can be harmonized with Canadian attitudes toward culture.

The question is pertinent, given that our instruments have not changed in 30 years, while the worlds of culture and commerce appear to change every 30 minutes.

The following figures, which apply to English Canada, amply demonstrate that our cultural market is open to foreign competition. I find it ironic that the same figures cause me to wonder whether we are doing the best job we can to promote Canadian culture:

- Three quarters of the television watched every night is of foreign origin, usually American.
- Four out of every five magazines sold on the newsstands are foreign magazines, usually American;
- Ninety-six per cent of the screen time at Canadian theatres is taken up by foreign films, mainly from the United States;
- Seventy per cent of the content on Canadian radio stations is non-Canadian, usually from the United States.

Don't get me wrong. We are not looking to close our market to the United States, or any other country; but rather to make sure Canadians continue to enjoy Canadian culture, while having access to the world.

But we can expect the trend to the free flow of capital to continue. We can also expect our cultural policies to be met with a continuing lack of sympathy from our U.S. neighbours.

The simple fact is that investment and content controls are being exposed to pressures from liberalized trade. Even if they were not, their effectiveness would be challenged by the communications revolution, which respects neither borders nor regulations.

Our need to remain open to the world while continuing to champion Canadian culture has long proved a tricky balancing act. I am asking the question: Are our obligations to culture and trade necessarily opposed?

Is it possible for Canada, with the support of strategic allies, to protect its cultural expression within the context of international trade agreements? I hope that it is for our sake, because Canadian culture has itself become international in its outreach, looking to world markets for its continued growth.

When I see the growing world demand for Canadian cultural works, compared with our own reading and viewing habits, I can only wonder if Canadian culture is a secret kept only from ourselves.

I suggest, as my parting thought, that the coming-of-age of Canadian culture may not depend on our ability to protect it at home, but to project it on the world's stage.

Thank you.

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Statement

97/4

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NOTES FOR AN ADDRESS BY
THE HONOURABLE RAYMOND CHAN,
SECRETARY OF STATE (ASIA-PACIFIC),
AT THE
APEC SENIOR OFFICIALS' MEETING

VICTORIA, British Columbia
January 27, 1997

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Canada

Distinguished Senior Officials and Delegates,

It is my pleasure to welcome you to Victoria, to the first APEC Senior Officials Meeting of 1997. Your meeting Chairman, Mr. Edwards, has outlined for me the ambitious work plan for 1997. I can see that you have a demanding schedule ahead of you for the next couple of days. I wish you every success in these endeavours. APEC [Asia Pacific Economic Co-operation forum] has accomplished much in recent years, and Canada is anxious to continue this impressive momentum.

But, while I hope that your work is productive, I also encourage you to take advantage of any free time you may have to see this beautiful city. While the weather may be colder here than in many of your capitals, I hope that you will find our reception warm. I can assure you that Victoria is more comfortable than almost any other city in Canada at this time of year. Victoria has a reputation among Canadians as a place of peace and tranquillity, and I expect that it will provide a good backdrop for creativity as you set directions for APEC in 1997.

Canada is honoured to chair APEC in 1997. We are proud to be a member of APEC, a forum that encompasses the world's most dynamic growth area. Canada's Pacific dimension has been evident in our excellent trade and bilateral relations in the area. My own government was elected on a platform that stressed the need to expand relations with the Asia Pacific and Latin America.

The province of British Columbia, where you are meeting now and where you will meet again in November, anchors Canada in the region, both in geography and in attitude. This is not a new development. We share with our Mexican and Chilean colleagues a history that begins with Spanish explorers such as Quadra and Juan de Fuca. Immigration from Asia since the turn of the century has turned our gaze westward. New arrivals from your economies bring with them a wealth of experience and new approaches to business that strengthen the fabric of Canadian society. I am pleased to note that in honour of our APEC chairmanship, Prime Minister Jean Chrétien has declared 1997 as Canada's Year of Asia Pacific, or CYAP, as a celebration of our Pacific ties.

In recognition of the importance of the region to Canada as a whole, this government created my position, Secretary of State (Asia-Pacific), upon its election in 1993. In my travels to your economies and across Canada, I am continually impressed at just how much we have in common. This is, I believe, the essence of APEC - 18 economies working together for mutual benefit from trade and economic co-operation, and from a social and human development perspective.

The Prime Minister himself has a special fondness for APEC. Just two weeks after taking office, he made his first official foreign trip to Seattle, to attend the first APEC Economic Leaders'

Meeting. What he has enjoyed the most about APEC is the informal, yet focussed, nature of discussions among leaders. I think that in looking back on APEC's rapid development — from Blake Island to Bogor, and on to Osaka and Subic — one can clearly see that the annual Leaders' Meeting has added momentum and political impetus to the process. APEC now faces the challenge of moving from visions and plans to implementation. It is clear to me that, as it does so, a key ingredient will continue to be the engagement of leaders.

Critics of APEC have played up the divergent viewpoints around the table, including the fact that its membership is diverse — in cultural, economic and political terms. These factors, they say, have made it impossible for APEC to agree on a single compelling vision. We have all heard the line that "Asia Pacific Economic Co-operation" amounts to little more than "four adjectives in search of a noun."

I disagree. Canada's own history is marked by the need to draw strength from diversity. In uniting people from a wide range of linguistic, social, religious and cultural backgrounds, Canada has come to value the very same concepts that characterize APEC — consultation over conflict and consensus building over coercion. Indeed, one of Canada's greatest prime ministers, Sir Wilfrid Laurier, built his considerable political success on developing what he called "the sunny way of consensus." In fact, I would propose that in the word "consensus," APEC has found both its missing noun and its central vision.

I have no doubt that you will succeed in building on APEC's past successes, moving further along the liberalization path, to continued prosperity in the region. Doing so requires a careful balancing of APEC's central trade and investment activities, and the priorities for economic and technical co-operation that support the trade agenda. Let us be mindful of the direction from leaders in Subic to concentrate economic and technical co-operation activities on six key areas that are crucial to continued growth: developing human capital; fostering safe, efficient capital markets; strengthening economic infrastructure; harnessing technologies of the future; promoting environmentally sustainable growth; and encouraging the growth of small and medium-sized enterprises.

I encourage you to consider the following as objectives for 1997, again based on direction from ministers and leaders:

- We must press for further measures in trade and investment liberalization. Leaders have directed that specific sectors be identified for focussed efforts in this regard. APEC's credibility is closely tied to its success in moving forward on liberalization, and there is a need to deliver results in this area to maintain the momentum. A key challenge is to

establish a mechanism for comparability that will ensure continual improvements in the individual action plans. We also need to strengthen collective action plans, particularly in support of business facilitation. Trade ministers will meet in May to advance these issues, and to continue finding practical means of supporting the WTO [World Trade Organization] work program.

- Growth cannot be maintained in the absence of a solid economic infrastructure – for example, efficient transportation systems to move goods and people within and across borders, cost-effective and appropriate energy supplies, and environmentally appropriate technologies and production methods. Governments have a responsibility to help create the right conditions for economic prosperity, and to provide the proper framework for trade and investment liberalization measures to succeed. In this regard, stimulating private sector investment in infrastructure development has been identified by leaders as a priority for this year's work.
- Seeking and acting on the advice of the private sector in setting policy directions is a long-standing priority for APEC. It is only by knowing the barriers to doing business that we as member economies can co-operate to break them down. The APEC Business Advisory Council has provided us with comprehensive and wide-ranging advice, and we must review each and every one of its recommendations over the coming year to reach consensus on implementation. APEC's credibility with the private sector is crucial. We must pay special attention to ensure that the views of small business operators are both heard and reflected in APEC's agenda. One way this can be done is through co-operation on trade facilitation measures that make it easier to do business. For example, lengthy customs procedures and uneven product and professional standards can be major impediments to the expansion of smaller firms into international markets.
- Finally, we cannot take decisions about the shape of the region in the future without elaborating a vision of the future that reflects the needs and aspirations of our young people. In the end, we will be judged not by trade figures and growth rates, but by the condition in which we leave the world to future generations. Throughout the year, I would encourage each of you to think about how your decisions will affect the children and young people in your life.

In closing, I would like to leave you with a few words from APEC leaders, as a reminder of the importance of the task you are beginning today:

We express full confidence that the APEC process will produce substantial, concrete, measurable and sustainable results which will tangibly improve the lives of all our citizens by the turn of the century.

This is a tall order, and we are counting on senior officials to guide the APEC process to success. I look forward to hearing of your progress and to seeing you again in November.

Thank you.

Statement

97/5

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE ART EGGLETON,
MINISTER FOR INTERNATIONAL TRADE,
ON THE OCCASION OF THE
CANADA-SWISS ASSOCIATION LUNCHEON



ZURICH, Switzerland
January 30, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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It is a real pleasure to be with you today in beautiful Zurich.

The Canada-Swiss Association has a key role to play in promoting understanding between Canada and Switzerland, which in turn will lead to a greater awareness of business opportunities in our two countries.

Switzerland and Canada have much in common. Politically, our countries are federal states where the rights of minorities are respected and political differences are resolved peacefully, through democratic institutions.

Both of our countries are known for their political stability and high standard of living. In a world marred by conflict, our countries offer an inspirational model of peace and security gained through tolerance and mutual respect.

Visits between elected officials are frequent and friendly. Our countries have closely consulted on environmental and security issues as well as trade and humanitarian matters.

Our friendship is also reinforced by tourism. Canada is the third most important long-haul destination for Swiss tourists, behind the United States and Thailand. Well over 100 000 Swiss tourists visited Canada in 1996, attracted by the favourable exchange rate, the beauty of our natural scenery and ease with the language. This is a very impressive number, considering the population of your country. I like to think these pleasure trips resulted in new friends and added to the good will our people already share.

In 1995, two-way trade between Canada and Switzerland was almost \$1.5 billion, with Canadian exports to Switzerland reaching \$533 million. We imported about \$902 million from Switzerland in 1995, a considerable increase from the 1994 level of \$764 million.

Switzerland is the fifth largest direct investor in Canada among European countries and is seventh largest worldwide. According to Statistics Canada, these investments total some \$3.2 billion, an increase of \$800 million over the past five years.

As impressive as these numbers may seem, the reality is that there is still a vast amount of untapped potential.

The simple truth is that Canada remains a largely undiscovered market for Switzerland.

The task for you and for me is to change that. We've got a great product to sell – Canada – and the time has come to aggressively market that product here in Switzerland.

We know from experience that when Swiss business people are persuaded to consider Canada's advantages, they are impressed.

Companies such as Nestlé, headquartered in Toronto, ABA Inc. in St. Laurent, St. Lawrence Cement in Mount Royal, Cia-Gag in Mississauga and Sandwell Inc. in Vancouver have joined companies from other nations in choosing Canada as a good place in which to invest.

Also significant is the role played by the main financial institutions, including the three leading Swiss banks, which rank fourth in Canada in terms of assets after institutions from the United States, the United Kingdom and France.

What took all of those companies to Canada? Why, when they could have located anywhere in the world, did they choose Canada? There are numerous factors, but let me focus briefly today on five key reasons why Swiss businesses should consider investing, in Canada.

Number one, Canada offers access to the world's richest market. By investing in Canada, international businesses gain tariff-free access to the United States under the terms of the Canada-U.S. Free Trade Agreement. Companies also gain access to the large and growing Mexican market through the North American Free Trade Agreement [NAFTA]. This represents unequalled access to a market of 360 million people with a total economy larger than that of the European Community.

The great majority of Canadian industry is located a just-in-time drive from the major U.S. manufacturers.

And because Canada is a land of immigrants, we are able to offer pools of experienced workers often fluent in other languages and knowledgeable of international cultures and business practices, who can provide an easy transition from Europe to North America.

The second reason to set up shop in Canada is our competitive wage rates and our educated work force.

Firms in Canada enjoy the benefits of a skilled, cost-effective labour force that has proven itself adaptable to changing times and changing technologies. Productivity is high and rising. Over the last two years, productivity in manufacturing has been the fastest growing among the G-7 nations. In the automotive assembly industry, Canadian productivity levels are 5 per cent higher than those in the United States.

Canadian wage rates are also very competitive with those of other countries, and current trends (such as wage settlements, labour attitudes to such issues as flexible working hours, and so on) are making them even more so.

Other costs associated with labour, such as employer-paid social security taxes and health care, are lower for Canadian firms than

for our U.S. competitors. In fact, Chrysler Corporation has calculated that U.S. health insurance bills give production in Canada an advantage of more than \$500 per car. I am told that total Canadian wage costs average less than half of German wage costs.

Canada's is also a well-educated work force. According to Organization for Economic Co-operation and Development figures, we are one of the top four countries in the world in terms of the percentage of gross domestic product [GDP] that is spent on education. And a number of very successful job training programs are in place that help to achieve a match between the needs of industry and the supply of skills.

As noted in a recent U.S. survey, 9 of the top 20 electrical engineering schools in North America are located in Canada. And the university of choice for Microsoft recruiters is the University of Waterloo in Ontario.

Third, Canada boasts strong research capabilities. Indeed, international businesses are increasingly using Canada as a base for research and development [R&D]. Canadian universities, technical colleges and scientific research organizations provide a unique pool of talent that is contributing to innovative product development and design.

Canadian companies also benefit from the most generous R&D tax incentives in the G-7. These companies have access to "centres of excellence" established within universities and to university-business consortia in areas such as robotics, computer-aided design and pharmaceutical development.

At the moment, Canada is home to research and product development facilities for international companies such as IBM, Digital Equipment, Glaxo and Amdahl.

The fourth reason I would suggest Swiss firms should consider Canada is our abundance of raw materials and our vast energy supplies.

Canada is renowned for its rich mineral reserves and productive agricultural land. These resources and the cost effectiveness of their extraction enable Canada to be a leading exporter of key commodities around the world.

Canada is also one of only two G-7 countries to be self-sufficient in oil supplies and is the only G-7 country that is a net exporter of natural gas. And prices for this gas and for electricity are very competitive.

Fifth, Canada enjoys a modern and efficient infrastructure. A 1993 report by the World Economic Forum ranked countries on

several competitiveness criteria. Four of these dealt with roads, railroads, air transport and ports. Canada's average rating for these criteria was the highest amongst all G-7 nations.

But we know that infrastructure must constantly be updated. That is why Canadian telecommunications suppliers have been investing heavily to provide the latest fibre optic technology and high-speed data transmission services. The Canadian government recently invested \$6 billion in a national infrastructure program in order to maintain Canada's competitive advantage in this area. This was a cost-shared program, with the three levels of government — municipal, provincial and federal — each contributing \$2 billion.

Finally, and very important, is Canada's economic climate. We expect 1997 to bring another year of high economic growth, combined with low inflation and interest rates. This economic recovery has been led by two developments — a reduction in government spending and an increase in exports. Our government has surpassed its own goals for deficit reduction. When we assumed office in October 1993, the federal deficit was 6 per cent of GDP. Today it is 2 per cent, and we are on track for achieving our goal of a balanced budget.

All of these advantages make Canada a wonderful place to do business.

Moreover, we have been working hard to minimize government intervention and stimulate private sector activities by, for example, privatizing many government enterprises.

Now, I know that there are a lot of Canadians in the audience who want me to talk about the quality of life in Canada. But it would be immodest to use this forum to remind people that the United Nations *Human Development Report* listed Canada as the number one country in the world in terms of overall quality of life. And a recent KPMG study reported that for every industry, the cost of doing business is cheaper in Canada than in the United States.

It would be inappropriate to talk about our clean, safe cities, with crime rates less than half of those of our neighbours to the south.

And it would be just plain unfair to mention that we are the second largest country, in land mass, in the world, with the lowest population density of all industrialized nations. Or that our national parks alone encompass an area larger than Italy or Japan.

Nor would I presume to talk to this audience about the sheer beauty of our landscape – of our rugged mountains, freshwater lakes, scenic coastal areas, unique Arctic vistas or vast, unspoiled forests. It just wouldn't be right to note that many Canadian executives own second homes in picturesque lake and mountain areas, just an hour or so outside our major cities.

No, it would be wrong to mention any of those things, so I will leave them unsaid. After all, 100 000 Swiss tourists can't be wrong.

Of course, you would expect me to be biased toward my own country. So the best thing to do is encourage Swiss business people to talk with the managers of multinationals that are operating in North America. They'll tell them that their Canadian operations "put up the best numbers."

What you might want to add is that the Canadian economy is entering a new growth period, fuelled by strong exports, low inflation and increasing productivity.

If the case is made, by Canadians and by others, I have a feeling that Canada will no longer remain overlooked by our Swiss friends. And the true potential of Swiss-Canadian trade will at last be realized.

Thank you.

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Statement

97/6

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY,
MINISTER OF FOREIGN AFFAIRS,
TO THE CANADIAN CONFERENCE ON
HUMANITARIAN DEMINING
AND LANDMINE VICTIM ASSISTANCE



WINNIPEG, Manitoba
January 31, 1997

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<http://www.dfait-maeci.gc.ca>



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Introduction

I have made the campaign against anti-personnel landmines one of my top priorities as Minister of Foreign Affairs. I am therefore particularly pleased to be here today to open this important conference on Canadian capabilities in two key areas of the landmines issue: developing and providing products and services for humanitarian demining, and assisting in the rehabilitation of landmine victims.

I am also pleased to see so many representatives of non-governmental organizations [NGOs], the private sector and the academic world here today. I would like to extend a particular welcome to delegates from the Secretariat of the Organization of African Unity [OAU] and from South Africa, who have braved the Winnipeg winter to join our discussions. Today's meeting is a great opportunity for all of us to come together, to learn from each other and to discuss new approaches.

Your presence here today is important because it is you above all who have provided the impetus behind the campaign for a global ban on landmines. It is you who are increasing Canadian awareness of the terrible suffering caused by anti-personnel mines, and the enormously difficult and dangerous task of finding and removing them. And it is only through our combined efforts that we can address the horrors that landmines inflict on civilian populations.

Growing Awareness, Increased Momentum

The fear created by even the suspected presence of landmines was brought home to me last year when I visited the Bosnian town of Coralici. I had planned to go for an early morning jog in this war-damaged but seemingly peaceful town. I was just about to set out when security people stopped me. The street I was heading down was believed to be mined. No one knew for sure, but the uncertainty alone had turned it into a no-man's-land.

We Canadians do not know what it is to look down a familiar street in one's home town and fear the hidden killers that lie, in wait, until they kill or maim some unsuspecting person. My experience in Bosnia brought home to me the reality of living amongst mines. It showed me the urgent need to prevent their deployment, and to assist the unfortunate men, women and children who were not warned, as I was, of the terrible danger as they walked in their own field or village.

Fortunately, the world is waking up. There is a new political will in the international community to take collective action to end the scourge of anti-personnel mines. Since this issue was first discussed at the United Nations [UN] in 1993, an enormous momentum has been generated to end their production and deployment, to deal with the mines already in the ground, and to assist their victims.

Much of this momentum has come from concerned citizens, including many of you. Canadian industry has also responded by looking for new and better methods of demining and by designing new equipment. Governments, of course, also have a role. But it is clear to me from my own experiences at the meeting we convened in Ottawa last fall that the real momentum on this issue comes from outside government. There could be no clearer example of the democratization of foreign policy in recent years, of how ordinary people have greater power to affect international issues than ever before.

Toward a Global Ban

The goal of a ban on anti-personnel mines was considered utopian little more than two years ago. Today we are on the brink of making it a reality. Thanks in large part to the magnificent work of the International Campaign to Ban Landmines and the International Committee of the Red Cross [ICRC], no other issue in recent times has catalyzed such a broad and diverse partnership of countries and organizations, both governmental and non-governmental. From Africa to Asia, from Europe to the Americas, a truly global partnership has emerged out of the grass-roots pleas of mine-affected countries, international agencies and NGOs determined to relegate landmines, like poison gas, to the dustbin of history.

This conference demonstrates the synergy that comes from committed people working together, with knowledge and enthusiasm, to advance their common goals. The context for this synergy is the Action Plan that came out of the Ottawa Conference.

Many of you attended the October conference in Ottawa, which brought together, for the very first time, 50 countries supportive of a ban on anti-personnel mines. There I challenged the global community to work with Canada on a "fast track," to develop a treaty banning mines and to sign that treaty in Canada in December 1997. Our goal is a treaty that will establish a new global norm against these weapons.

Our task got new impetus in December 1996, when a United States-led resolution at the UN General Assembly, calling for such a treaty as soon as possible, passed with an astonishing 156 supporting votes.

Since then, we have been working in partnership with NGOs and dozens of countries in every region of the world to make this happen. The process for developing such a treaty has emerged: a process that is credible, transparent and open to all countries supportive of a ban. Substantive, practical work begins in two weeks at a meeting in Vienna from February 12 to 14. This intensive program of work continues with an additional meeting in Vienna in May, a major international meeting in Belgium in June,

and treaty discussions in Norway in the autumn leading to signature of a global ban treaty in Canada in December 1997.

At the same time other meetings, including this one today, will move the agenda forward in the areas of demining and victim assistance. Conferences in Denmark and Germany on demining technology have already set the stage for two upcoming events: an NGO conference on the global ban campaign in Maputo in February; and the Tokyo conference in March on UN demining programs, demining technology and landmine victim assistance.

One of the strengths of the process set in motion in Ottawa has been its ability to engage landmine-affected regions of the world in our efforts to ban mines. Africa, for example, continues to pay a terrible price associated with the continued use of landmines. I am pleased that the Organization of African Unity has decided to take the lead in organizing a conference to be held in Johannesburg this May. This conference will examine the landmine issue in an integrated way – focussing upon the ban, landmine clearance, and victim assistance in equal measure. I hope that it will set the stage for continued action on this issue by the OAU.

Canada has also put the landmines issue on the agenda for the G-7 [Group of Seven] Summit in Denver in June. And the Canadian International Development Agency [CIDA] is discussing with the International Committee of the Red Cross how Canada can further assist the ICRC in its ongoing publicity work on the campaign against landmines. As you can see, our meeting here today is part of an intense national and international campaign to find the means to deal with these hideous weapons once and for all.

The Negotiation Process

You have probably seen recent reports that some countries believe that it would be better to negotiate a convention in the Conference on Disarmament in Geneva. Canada is ready to use whatever process or processes are required; for us the important thing is to reach our goal of a global ban as rapidly as possible. If complementary, parallel tracks within the Conference on Disarmament and what has come to be known as the "Ottawa Process" prove the best way to achieve this goal, we would have no difficulty with that approach. We must be careful, however, to ensure that steps toward our objective – such as a ban on transfers – not be confused with or substituted for the achievement of our real objective: a comprehensive treaty that will ban the use of anti-personnel landmines. It is use that kills and maims.

It is my belief that the value of the Ottawa Process will speak for itself: a flexible, open and effective process that delivers concrete and speedy results. A process that holds out real hope

for banning these weapons within months, not years or decades. A process that responds to the humanitarian imperative for action.

I should also state clearly at this point my strong hope that no country is advocating negotiations within the Conference on Disarmament simply as a means of delaying progress. You, as citizens and as members of NGOs, need to make it clear to your governments that this is not the time for political games. You must continue the excellent work you have done so far to put a global ban treaty at the top of the international agenda, and to keep it there.

But such a treaty will be only the beginning. A ban will start the process of capping the problem of mines, and give us a fighting chance to tackle the mines already in the ground and the people already injured. Our ongoing challenge will be to ensure that every country buys into this ban, while at the same time maximizing our efforts in demining and assistance to victims. This requires not just locating and clearing existing mines but finding ever better, faster and safer ways of doing so.

Canadian Demining Efforts

Since 1993 Canada, through the Canadian International Development Agency has contributed close to \$10 million to support UN and other demining programs in five of the world's most mine-polluted countries: Afghanistan, Bosnia and Herzegovina, Cambodia, Laos and Angola. In each case, the UN approach is predicated on developing local demining capacity.

I am pleased to announce today that CIDA has just approved two major new projects to support demining in Angola and Cambodia. In Angola, CIDA will provide \$605 000 to Mission Aviation Fellowship of Canada, for medical evacuation of injured deminers and to support other demining activities. In Cambodia, CIDA will provide \$650 000 to a United Nations Development Programme [UNDP] project to raise awareness of landmines among women and children and among farmers, in order to reduce the number of landmine victims. These projects are excellent examples of the integrated approach that the Government is taking on the landmines issues, an approach that addresses demining and victim assistance in tandem with our work on a global ban.

CIDA is currently considering supporting landmine removal in Mozambique. In addition, the Agency plans to provide funding shortly to the Organization of American States [OAS] for its demining programs in Central America. No doubt you will hear from the CIDA representative at this meeting about how landmine removal and victim assistance fit within the Agency's mandate to promote sustainable development.

Members of the Canadian Forces are playing a key role in helping the UN set up Mine Action Centres in Cambodia, Angola and Bosnia, in undertaking mine surveys and in training local people in mine clearance. We have recently sent two defence scientists to the Mine Action Centres in Cambodia and Bosnia to test metal detectors in local conditions. Another six military personnel will spend six months with the Bosnian Mine Action Centre, training Bosnian deminers. We have National Defence staff seconded to the Mine Action Centre in Cambodia. And we are working on sending a mine mapping database expert to Angola.

The Department of National Defence has also provided technical assistance to the Justice Institute of British Columbia. With a group of Canadian and American NGOs, this organization has, established an integrated project in Viet Nam that includes demining and reforestation, and aims to include mine awareness programs and assistance to landmine victims in future.

Today you will hear from current and former members of the armed forces about their needs in terms of equipment and know-how. Scientists from the Defence Research Establishment at Suffield, Alberta, will bring you up to date on their research, particularly in the area of landmine detection. They will outline their joint research with Canadian companies, including many of those represented here, and where they see opportunities for further joint efforts.

Victim Rehabilitation

Perhaps the most painful legacy of landmines is their disabled victims, or perhaps I should say "survivors." Many, injured as children, still have the greater part of their lives ahead of them. And many have the potential to be, or become again, productive members of their societies. There is much that can be done, not necessarily requiring vast resources, to make a huge difference in the quality of their lives. This aspect of the landmine problem is only beginning to receive the attention it deserves from the international community. We are today breaking new ground with this, the first national conference in Canada to look at the issue.

Representatives of NGOs and universities here today have for some time been doing valuable work in this area, alone and in co-operation with government agencies. Queen's University's International Centre for the Advancement of Community-Based Rehabilitation has programs for landmine victims in Bosnia as well as in other countries; the Centre is supported by CIDA as a Canadian Centre of Excellence.

I recall visiting a factory for prostheses in Nicaragua in the 1980s, where landmine victims were themselves engaged in producing prostheses. Since that time, CIDA has also become

involved with landmine victims in Central America. It has provided funding for a vocational rehabilitation project in El Salvador to reintegrate over 100 disabled people, most of them victims of war, into the labour market. And it is looking at ways to support more effectively rehabilitation in Central America and elsewhere, including in co-operation with Canadian NGOs and universities. Canadian NGOs have started their own rehabilitation programs. The Calgary-based Cambodian War Amputees Rehabilitation Society, for example, is operating a vocational school in Cambodia to help landmine and other war amputees become gainfully employed.

For landmine survivors, recovering from the trauma and injury and learning to use a prosthesis is only the beginning. Their lives will be difficult indeed if the attitudes in their societies and governments are not supportive and do not recognize their full right to be productive citizens. Advocacy is therefore crucial. In this area, NGOs such as the Council for Canadians with Disabilities and the Canadian Centre for Disability Studies (both based here in Winnipeg) and Disabled Peoples' International (founded in Winnipeg) are doing important work. They are linking up with disabled peoples' organizations in other countries to help them acquire advocacy skills. With these skills, these groups can press their governments and their communities for the support they need as citizens to lead full and productive lives.

Conclusion

I am proud that Canadians are at the forefront of efforts to help landmine victims and innocent populations in mined areas. I am equally proud that the Canadian government is at the forefront of the international campaign to ban landmines altogether. And I am glad that the numbers of those working toward the same ends in other parts of the world are growing daily. We must work together, each contributing in our own area of strength. We as a national government can work in international forums. You as companies and non-governmental organizations can develop and provide the products and services; you can make the grass-roots contacts and start the community projects. The need is great; we must be bold and tackle the issues with energy and enthusiasm. We can make a difference. We are making a difference. We must continue to work together, taking full advantage of the momentum we have generated in Canada to help the world rid itself of these intolerable weapons.

Thank you.

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Statement

97/7

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NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY,
MINISTER OF FOREIGN AFFAIRS,
AT THE CONSULTATIONS WITH
NON-GOVERNMENTAL ORGANIZATIONS
IN PREPARATION FOR THE 53RD SESSION
OF THE UNITED NATIONS
COMMISSION ON HUMAN RIGHTS

OTTAWA, Ontario
February 5, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



Thank you for joining me in this year's consultations on human rights, in preparation for the 53rd session of the UN [United Nations] Commission on Human Rights. When I spoke with you last year, having just assumed the Foreign Affairs portfolio, I outlined some of the principles for a Canadian human rights strategy. Today I would like to review with you what we have done in the past year to fulfil those principles, and to discuss some of our priorities for the coming year. I look forward to the opportunity these consultations provide for us to exchange views and discuss priorities and principles.

A Canadian Approach to Human Rights

A commitment to human rights is fundamental to Canadian values and identity. Thus promoting respect for human rights, both internationally and within Canada, is a crucial element of government policy. In our international relations, human rights could be considered a "threshold issue." Human rights issues will be a consideration in any relationship we have, whatever its other aspects, from the moment we enter into that relationship.

Starting from this basic principle, we seek to develop a policy of effective influence. This policy is based on our belief that dialogue and engagement, rather than isolation, generally represent the most useful avenues for influencing governments. In other words, we prefer to talk to people, not at them or about them. Where necessary, however, we are ready to speak out strongly and to act.

In saying this we recognize that our ability to effect change can be limited, and sometimes meets with resistance from countries who see our efforts as interference in their own affairs. We also recognize that, while they are important, we cannot focus solely on political rights; human security also requires stability and the pursuit of economic and social rights.

Nevertheless it is important that we pursue the issue of human rights internationally. It is important as an extension of our own beliefs. And it is important because, in an age of interdependence, the international system can only work if there is adherence to basic laws and standards. The critical question is how to make it work — how we can be effective.

Last year I outlined a basic strategy, involving our own domestic development, multilateral and bilateral initiatives, and targetted special priorities. I would like to review what we have done over the past year in each of these areas.

Engaging Canadians

The government made a commitment to open its foreign policy to all Canadians. This is particularly important in the area of human rights. After all, non-governmental organizations [NGOs] have expanded the role of human rights in foreign policy through

their front-line reporting of abuse, promotion of respect for rights and work in multilateral fora. It is NGOs who implement many of the human rights, democratic development and good governance programs that CIDA [Canadian International Development Agency] funds. And it is NGO workers who face great risks in supporting the cause of human rights around the world. In recent months, a number of NGO workers have paid for their dedication with their lives. I would like to take this occasion to pay tribute to them, and to assure you that we will do our utmost to protect Canadian human rights monitors abroad.

In the last year, we have established the Canadian Centre for Foreign Policy Development and the John Holmes Fund to support discussion of foreign policy issues among Canadians. The Fund has already sponsored a number of events related to human rights, including round tables of human rights experts, round tables on China and research on codes of conduct for international business. These events provided me with a opportunity to hear the views of Canadians from many different segments of society.

I invite you to visit the most recent of our outreach projects, the human rights page on the Department of Foreign Affairs and International Trade's website, which is being launched today. It provides information about human rights in Canadian foreign policy and about specific human rights initiatives.

Multilateral Activism and Leadership

Turning to our human rights efforts outside Canada, we have been active in a range of multilateral institutions. We believe that working through multilateral institutions is a paramount strategy, both to apply pressure and to attempt to build international consensus. Our aim is to give real force to the mechanisms for monitoring, enforcing and preventing human rights violations around the world.

In the last session of the UN Commission on Human Rights [CHR], for example, Canada spoke out strongly on the Chinese no-action motion on the resolution on China. Canada also took the lead in creating an agenda item for indigenous rights.

To maintain a strong voice for Canada at the CHR, we will be standing for re-election to the CHR for our third consecutive term. I have asked Ross Hynes to replace Leonard Legault as head of Canada's delegation to the CHR. Mr. Hynes will be known to many of you already for his long commitment to human rights. The Canadian delegation will take the lead on six resolutions this year, including those on Rwanda, violence against women and mass exoduses.

Because of the importance we ascribe to the CHR, last year I became the first Canadian Foreign Minister to attend its

meetings. Unfortunately my schedule does not permit me to travel to Geneva this year, but Canada will continue to be represented at the ministerial level. I have asked Christine Stewart, Secretary of State (Latin America and Africa), to attend on my behalf.

This year we also saw the election of a Canadian, former Chief Commissioner for Human Rights Max Yalden, as an independent expert to the UN Committee on Human Rights. His election is another example of the importance Canada attaches to the human rights system and to the work of the UN treaty bodies.

We were also active at the 51st General Assembly of the UN. Canada played a key role in the resolution on strengthening the Centre for Human Rights by ensuring the continued autonomy of the High Commissioner and by reiterating the call for adequate resources. Canada gave a very well-received country situation statement, which set the standard among the Western group for its critical but constructive approach.

We will continue to take the lead in supporting the efforts of the High Commissioner for Human Rights to make the Centre for Human Rights in Geneva more effective and to ensure that the High Commissioner's office in New York becomes an integral part of the overall UN process. We hope to hear in the course of these consultations your views on how to make the Commission more effective.

The Rights of Indigenous Peoples

One focus of our multilateral activity over the past year has been the rights of indigenous peoples. This year, Canada took an important and symbolic policy step on this issue. Our delegation to the UN Working Group on the Draft Declaration on Indigenous Rights made a formal statement that Canada accepts a right of self-determination of indigenous peoples that respects the territorial integrity of democratic states.

I have stated elsewhere that Canada supports a strong UN Declaration on Indigenous Rights. In order to promote the UN process, however, the Canadian government must work together with Canadian Aboriginal leaders. In October, I met with Aboriginal leaders and made a commitment to enhance dialogue domestically on issues of international importance. Since then officials have met twice, and will continue to discuss substantive issues related to the Declaration. When I met Aboriginal leaders again on Monday, we renewed our commitment to this process of consultation, and agreed to work together to advance a broad range of activities under the International Decade for the World's Indigenous Peoples.

Working Across a Wide Range of Multilateral Bodies

Canada has also been active in other multilateral fora: the OAS [Organization of American States], where we co-chair the Working Group on Human Rights and Democratic Development, the Commonwealth, the ASEAN [Association of South-East Asian Nations] Post-Ministerial Conference and NATO [North Atlantic Treaty Organization]. These are often the best settings for dealing with cases where dialogue has broken down completely, or has failed to take place at all, as in Burma.

Within the Commonwealth, we have worked actively in the Commonwealth Ministerial Action Group [CMAG], on Nigeria, Gambia and Sierra Leone. We have provided a \$2.2 million Democratic Development and Capacity-Building Fund for these three countries. On Nigeria, in particular, Canada has taken a leading role in CMAG. My colleague Christine Stewart will be attending the next CMAG consultations to ensure continued ministerial-level attention to this file.

So far, however, we have seen little return on our efforts. The Nigerian authorities remain unwilling to engage in a genuine dialogue. We will be watching events closely, in the run-up to the CMAG recommendation this fall to Commonwealth Heads of Government on whether to extend or end the suspension of Nigeria from the Commonwealth.

On Burma, both the Prime Minister and I have urged ASEAN leaders to use their influence to press the junta for real change. At last year's ASEAN Post-Ministerial Conference, I proposed the establishment of a contact group that would work with the UN Secretary General to obtain compliance with UN resolutions.

The pursuit of persons indicted for war crimes is also a Canadian priority. I have used all opportunities, including the recent Peace Implementation Conference on Bosnia, to present practical proposals and garner support for our approach. Canada has actively supported the work of the international war crimes tribunals for the former Yugoslavia and Rwanda. A Canadian, Madame Justice Louise Arbour, is the Chief Prosecutor for the International Criminal Tribunal in the Hague.

Engaging Other Countries

Bilaterally Canada has also been active, both in raising human rights in our various talks and representations, and in pursuing programs of co-operation. We raise our human rights concerns whenever possible.

For example, in discussions with the Chinese Foreign Minister over the past year, I have raised the issue of liberties in Hong Kong, along with questions of prisoners' and women's rights. As

I said when I spoke on this issue last fall in Vancouver: "...we expect China to permit Hong Kong's current way of life to carry on. That means an economy free from unwarranted government interference and commercial corruption. It means a representative Legislative Council. It means the rule of law, an independent judiciary and freedom of the press and of personal expression."

I am particularly concerned by the recent decision by the Beijing-appointed Preparatory Committee to alter elements of Hong Kong's Bill of Rights and laws on assembly and demonstrations after July 1. These changes weaken the protection of individual rights and freedoms in Hong Kong. I am also concerned that decisions on the evolution of Hong Kong's laws are being made by an appointed body, and not by the elected Legislative Council in Hong Kong, where they properly should be. I am hoping to go to China in the coming months, at which time I will have the opportunity to raise my concerns with Chinese leaders.

A rare opportunity for Canada to raise human rights came in recent meetings in Cuba, where I had a chance to speak directly with the President of Cuba and his ministers. Canadian officials will be meeting with Cuban officials later this month to continue this dialogue.

We have recently expressed our concern to the Colombian government over the delay in opening a UN human rights office in Bogota. We intend to actively support that office as soon as it opens.

We also use regular joint ministerial meetings as an avenue for putting human rights on the agenda in bilateral discussions. This has worked well in the case of Mexico, where we discussed judicial reform, human rights and the situation in Chiapas in the context of our Joint Ministerial Committee meetings. In the course of these discussions, we agreed to undertake joint activities to follow up on the recent highly successful Canada-Mexico Aboriginal Economic Roundtable.

Human Rights and Trade

Perhaps the most sensitive issue in our bilateral activities is the relationship between trade and human rights. Critics of engagement see a dichotomy between trade and human rights. I would argue it is a false one. As people who work on the front line of human rights concerns, you more than anyone are aware that the relationship between these issues is much more complex than suggested in calls for blanket conditionality on trade.

Trade on its own does not promote democratization or greater respect for human rights. But it does open doors. It creates a relationship between governments and societies, within which we

can begin to speak about human rights. In addition, as closed countries engage in foreign trade and investment, they come under increasing pressure to respect the rule of law – and they see more and more reasons why it is in their own interests to do so.

The key issue here is not a crude choice between trade or human rights, but rather the need for responsible trade. This requires a closer look at the specific type of economic activity involved in terms of its social impacts. In this context we have focussed on issues such as core labour standards, child labour and military exports.

Canada has, for example, actively supported work within the ILO [International Labour Organization] to define core labour standards and examine social aspects of liberalized trade. We, took a leadership role at last December's WTO [World Trade Organization] ministerial meeting in producing commitments to observe internationally recognized core labour standards and to support the mandate and work of the ILO.

We are also working in the ILO on a new convention on the elimination of the most intolerable forms of child labour, for adoption in 1999. I will be speaking later this month at a conference organized by the Netherlands in support of the efforts of the ILO on child labour.

On military exports, last June I indicated my desire for stricter interpretation of human rights criteria. My aim in this is to further minimize the risk of Canadian military equipment being used against civilians, in the illicit arms trade or to fuel local violence. Canadian military exports decreased by 12 per cent in 1995, and our exports to lower-income developing countries remain very low.

As part of our ongoing attempt to develop tools to promote responsible trade, we sponsored a business round table on Nigeria last year. Following on that event, the private sector is developing a code of conduct for Nigeria. One follow-up meeting has already been held in Calgary hosted by Occidental Petroleum, and a second will be held later this month.

Bilateral Co-operation in Human Rights

Where Canada has made a niche for itself is in supporting change from within. This is perhaps the most distinctive feature of our human rights policy. The Canadian approach involves what a participant in one of our round tables termed "supporting local champions" to effect direct change. We believe that the impulse toward democracy is inevitable, but at the same time we are realistic about some of the governments we are dealing with. We do not expect these governments to become sudden converts to the cause of democracy. But they will yield gradually – because they

have no other choice -- to pressure for change from within their own society.

This approach is evolutionary, not coercive. Even if we wanted to force change, we have to face the fact that Canada simply does not have the economic leverage or the international clout to do so. We can, however, work from within to support NGOs and develop a space in which civil society can grow.

This approach will not always succeed. Where dialogue or engagement are impossible, one needs to take other approaches, including mobilizing international action. In countries that are prepared to engage with us on even a limited scale, such as Cuba, we will work for evolutionary change. For regimes that are unwilling to enter into any sort of dialogue or exchange whatsoever, such as Burma or Nigeria, we work for broader international action to press those regimes to change their ways.

Let me give you a few examples of our work with the "local champions" of civil society. In China, Canada has continued to fund a number of low-key, effective programs, from training judges and lawyers to implementing laws on women's rights.

During my recent visit to Cuba, I issued a joint declaration with the Cuban Foreign Minister. This represents, I believe, a significant step in our long-standing efforts to engage with Cuba in the areas of human rights and governance. This declaration is a first step, but an important one. A work in progress, it nonetheless presents an opportunity to work toward greater political space for NGOs within Cuban society. The latter is a key element in any process of peaceful evolution in Cuba toward a society with greater respect for human rights, effective means of redress for its citizens and greater economic freedom.

In India, we have provided \$1.6 million to help the Indian Human Rights Commission develop human rights training and education programs in schools, many of which are targetted at girls. Through these programs, and in dialogue with its Canadian counterpart, the Indian Human Rights Commission will be working to instill an indigenous culture of respect for human rights.

On Nigeria, we are using the \$2.2 million democratic development fund we established to work with Commonwealth groups, particularly NGOs. My colleague Christine Stewart and I will be holding consultations with Commonwealth NGOs prior to the upcoming CMAG meeting to discuss how we can work to best effect to improve the human rights situation in Nigeria.

In Indonesia we have made progress in developing a strong and fruitful relationship between human rights institutions. Our two national Human Rights Commissions have a formal program of co-operation, funded by Canada. We are the only country with such

links to Indonesia's National Human Rights Commission, a body which is now sufficiently well-established and independent to have openly criticized the Indonesian government's actions in East Timor. This spring, an all-party delegation of Canadian parliamentarians will be travelling to Indonesia and visiting East Timor to observe conditions there directly.

In Iran, we are working with the Baha'i community to protect them from state-sponsored discrimination and repression.

In Guatemala, Canadian NGOs already have a rich depth of experience in providing critical support to the most deprived levels of Guatemalan society, especially in human rights. I encourage you to use these strengths, and to work with us, to build lasting peace and respect for human rights in Guatemala..

In all these cases, we are using a combination of targetted financial support, visits and exchanges, and work to broaden legal frameworks and strengthen human rights institutions. In this way we support the internal dynamics of change. We build support within societies for the respect of human rights. And we widen the space within those societies for participation and involvement by citizens and organizations outside government.

Children's Rights

One of the key commitments made by the government in the last Throne Speech was on children's rights. When I became Minister of Foreign Affairs, I expressed my determination to make this issue a priority for Canadian foreign policy. That is why I appointed Senator Landon Pearson as a Special Advisor on children's rights. Since then, she has led extensive consultations on children's rights, including on child labour.

Last April, the government tabled Bill C-27 in the House of Commons. This Bill, which was reported back to the House in December, would amend the criminal code to allow for prosecution of Canadians who engage in commercial sexual activities with children while abroad. In August, I led Canada's delegation to the Stockholm World Congress Against the Sexual Exploitation of Children. A committee chaired by Senator Pearson is following up on the Agenda for Action that came out of the conference. We are also planning the possible exchange of data and training of law enforcement officers to support the efforts of other governments in this area.

Canada is also working within the UN and the ILO to protect the rights of children. I have already referred to our support for ILO work on eliminating the worst forms of child labour. Within the UN, we are working with the Commission on Human Rights on guidelines for two optional protocols to the Convention on the Rights of the Child. One of these would require countries to

criminalize the sale of children, child prostitution and child pornography, and to extend their jurisdiction extraterritorially.

During my recent visit to India, I held discussions on ways Canada could work with India to tackle child labour in that country, including through our newly established \$500 000 Child Development Fund. Also in India, I discussed with NGOs the possibility of applying child-impact assessments to our development programs. Since my return I have raised this idea with my colleague Don Boudria, and CIDA is following up on this proposal. I welcome your views on this initiative.

Making Human Rights an Integral Part of Foreign Policy

Canadian values, including the promotion of human rights, are an integral part of our broader foreign policy. We are committed to integrating human rights activities into the peace, security and development activities of the UN; in the same way, we are committed to integrating them into our own international relations.

We are also developing new tools of foreign policy. In a time of profound international change, we recognize that conventional tools need to be bolstered. Last year I announced two major new tools: the peace-building initiative, and the Canadian International Information Strategy. Both of these have important human rights elements built into them, and as such they will expand our capacity to deal with human rights issues.

The peace-building initiative, supported by a Peace-building Fund, aims to increase Canada's capacity for rapid, co-ordinated and flexible responses to intrastate conflicts. These conflicts, marked by severe human rights violations and repeated cycles of violence, have become increasingly prevalent in the post-Cold War era. Under the initiative will fall a range of human rights activities aimed at building capacity in societies previously riven by violence, such as:

- promoting free access to the media;
- providing human rights training; and
- establishing a roster of human rights experts to assist with these projects.

I am pleased to be able to announce today the operationalization of the Canadian stand-by roster of human rights experts. This roster will ensure that skilled Canadians – such as yourselves – will be able to support the peace-building activities of Canada, the United Nations and other international organizations through human rights protection, monitoring and reconstruction. The roster has been established initially within the Department of Foreign Affairs and International Trade. When it is fully operational, however, its administration will be handed over to

an agency outside government. Departmental officials at these consultations can provide you with more information on the roster, including how to apply. You can also refer to the new human rights page on the departmental website.

I would also like to announce at this time that, in co-operation with the members of the NGO-led Peace-building Contact Group, we will be holding this Friday the first of the consultations on peace-building that I announced last October.

The Canadian International Information Strategy is another new tool with great potential in terms of human rights. In an era of globalized economies, international communications networks and shifting issue-based "coalitions of the willing," we must recognize that the mouse, if not mightier than, is at least as mighty as the missile. The Strategy will be a concerted effort of government and the private sector to make more effective use of modern communications technologies to achieve Canada's international objectives.

In this context, we are developing a strategy to use information technology to:

- present Canada, and Canadian values such as respect for human rights, to the outside world; and
- achieve foreign policy goals, including human rights goals, in new ways.

The Strategy is still in the early stages of development, but I see great potential. We are already considering ways of using information technology to counter hate propaganda, train journalists and promote free media, and provide human rights education. New technologies also play a key role in giving dissident groups and human rights advocates access to information and dramatically improved capacity to communicate. The use of the Internet by opposition groups in Serbia is one of the clearest examples of how new technologies are being put to the service of democracy.

Looking Toward the 50th Anniversary of the Universal Declaration

In the coming year, I am committed to maintaining Canadian activism on human rights and our focus on key areas such as outreach to Canadians, the rights of the child and Aboriginal rights. We will be developing innovative ways to promote and protect human rights within the peace-building initiative and the Canadian International Information Strategy. And we will be preparing to celebrate the 50th anniversary of the Universal Declaration of Human Rights in 1998.

The Universal Declaration has been a shaping force in our world for almost 50 years. Celebration of this important anniversary

should be an occasion for reaffirmation and renewal. And a time for tough, concerted actions that will move the human rights agenda to the centre of a reformed and revitalized United Nations.

Nineteen ninety-eight will see another milestone: the five-year review of the Vienna Declaration and Program of Action [VDPA]. The active involvement of NGOs is essential to achieving meaningful, long-lasting results from the review of the VDPA. Given the internationally recognized expertise and effectiveness of Canadian human rights NGOs, I have no hesitation in challenging you to play a leading role in ensuring a meaningful anniversary year.

The Canadian government is already planning a number of events in the run-up to the anniversary. The John Holmes Fund will sponsor a round table on the opportunities and challenges presented by the Internet, including in the field of human rights. We will also host a conference on making the work of the human rights treaty committees more effective. This conference, to be organized by York University, will bring together treaty body experts, NGO activists, scholars and UN personnel.

I welcome your suggestions and proposals on how we might begin now, in 1997, to lay the groundwork for progress in 1998, in Canada and abroad.

Conclusion

The protection and promotion of human rights is a primary Canadian value, and a key goal of our domestic and foreign policy. In the past year, we have pursued this goal vigorously in a wide range of settings, using an expanding set of foreign policy tools. Human rights considerations inform our multilateral and our bilateral relations, and are increasingly integrated across the full range of Canadian foreign policy.

Governments cannot succeed in the vigorous promotion and defence of human rights without the support of civil society, particularly of non-governmental organizations such as yours. We value your insights on specific human rights situations, and your views on how to ensure that our efforts to promote human rights have the greatest possible impact.

Thank you.

Statement

97/8

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY,
MINISTER OF FOREIGN AFFAIRS,
AT HARBOURFRONT CENTRE
ON THE LAUNCH OF
CANADA'S YEAR OF ASIA PACIFIC
CULTURAL PROGRAM



TORONTO, Ontario
February 8, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



Introduction

I am very pleased to join you in celebrating the opening of the Lunar Chinese New Year Festival of the Arts. This event marks the launch of a year-long program of cultural events across the country as part of Canada's Year of Asia Pacific. The Department of Foreign Affairs and International Trade will support this program with funding of \$1.9 million. And Harbourfront Centre, our hosts for these New Year's festivities, will manage and co-ordinate this ambitious undertaking.

Harbourfront will oversee a busy schedule of live performances, exhibitions, forums and the like throughout 1997, which we expect over 2 million Canadians across the country to attend. Millions more will be reached through the mass media.

Canada as APEC Host

The government declared 1997 to be Canada's Year of Asia Pacific in order to make the most of our role as host of the Asia-Pacific Economic Cooperation (APEC) forum. Our year as host culminates in a meeting of APEC leaders in Vancouver this November. It also includes five meetings of APEC ministers, along with trade shows and business seminars, a youth forum and many other events.

The ministerial meetings will take place throughout the year in cities across Canada. They will focus on the issues of transport, energy, environment, small and medium-sized business, foreign affairs and trade. As a cross-cutting theme for all the APEC events, we have chosen to focus on small and medium-sized business and on youth.

Culture and Canada's Year of Asia Pacific

The cultural component of Canada's Year of Asia Pacific will involve five types of projects, all related to the Asia Pacific region and its links to Canada:

- projects by Canadian community organizations, since we want to see events penetrating down to the local level as much as possible;
- projects by Canadian artists or arts organizations;
- collaborative projects, in which Canadian and Asian artists co-operate on the creation of an original work;
- traditional and contemporary performance events and visual exhibits sponsored by our partners in the region; and
- collective projects that bring together artists or their works from three or more Asia Pacific economies.

To assist Harbourfront Centre in developing this program, we have established regional advisory boards in every province, composed of volunteers active in arts and ethno-cultural organizations in their communities. They will ensure a transparent, decentralized

project selection process, with grass-roots involvement of local stakeholders.

Together, these projects form a special, targeted cultural initiative that will enhance Canadian awareness of our Asia Pacific connections, from coast to coast to coast. In fact my colleague Raymond Chan, Secretary of State (Asia-Pacific), is in Vancouver today to celebrate both the Lunar New Year and the launch of the cultural component of Canada's Year of Asia Pacific. Our aim is to expose a wide Canadian audience to the diversity of the Asia Pacific region, and expand opportunities for cross-cultural exchange. To build and sustain new partnerships in the region, it will be particularly important to capture the imagination of young Canadians.

Canada's Year of Asia Pacific is also about seeking opportunities for jobs and growth. Events are planned to help Canadian businesses open up new markets in what is the world's fastest-growing region.

All of these events will highlight the significant contribution made to this country by over 2 million Canadians of Asian descent. They bring empathy and knowledge to our relations with economies in the region, which allow them to pursue many promising opportunities in their countries of origin. The language, cultural skills and market knowledge of Asian Canadians are a significant asset to Canada.

In fact, many of the community events I referred to are being organized by Asian Canadian groups. Here in Toronto, for example, we will be funding two community-sponsored events this month:

- a visual arts exhibit organized by the Toronto Vietnamese Association; and
- a series of Indian dance performances by Menakka Thakkar, an expert in both contemporary and traditional dance.

Both the APEC forum and Canada's Year of Asia Pacific will emphasize the global, international dimension of Canada as a major player in this immensely important region. They will help Canadians to think in terms of the Pacific dimensions of their country. And they will showcase Canadian capabilities, values and diversity to Asian leaders.

The lasting legacy of 1997 will, I am confident, be seen in two things:

- continued and strengthened Canadian involvement in the Asia Pacific region; and
- the emergence of a true Pacific consciousness across Canada.

The International Dimensions of Culture

Why are we putting such an emphasis on culture in this year of events? Because cultural activities are not just an accessory or an afterthought; they are the key to enhancing Canada's image in the Asia Pacific and elsewhere. As author John Ralston Saul says, "Canada's profile abroad is, for the most part, its culture. That is our image. That is what Canada becomes in people's imaginations around the world."

There has been quite a bit of discussion lately about the most effective ways to preserve, protect and promote Canadian culture. As my colleague Art Eggleton, Minister for International Trade, put it, the question is not whether we ought to support Canadian culture, but how best to support it. This is a timely and necessary debate. In the age of economic globalization and electronic communications, which render borders increasingly irrelevant, we have to come up with new ways to fulfil our long-standing cultural objectives.

One crucial ingredient of any new approach is how we work to advance and develop the international dimensions of Canadian culture. This is important not just in projecting an image of Canada in other countries, but also for the benefits to Canadian culture when our artists and performers gain a world stage. Given the relatively small audience base in Canada, Canadian artists must have access to the international marketplace to survive and flourish. Since we are increasingly obliged to share our domestic cultural markets with imports, we need to ensure access for Canadian cultural exports to foreign markets. This is, after all, an important part of our economy: there are now more Canadians employed in the cultural sector than in agriculture, for example, or in transport or construction.

Cultural Diplomacy

As Minister, I want the Department of Foreign Affairs and International Trade to chart a new course in developing this international dimension of Canadian culture. In a range of ways, we are raising the profile of Canada and of Canadian artists and performers abroad.

In Canadian embassies abroad, we are showcasing Canadian culture. Last month, the Prime Minister inaugurated the renovated Canadian Cultural Centre in Paris. It has been redesigned not just in the physical sense, but also through a rethinking of its functions and purpose. In addition to the traditional, or "real" presence abroad in the form of live performances, art exhibitions and Canadian literature, the Centre will also promote Canada through the "virtual," that is, through the electronic media.

Our dramatic cultural facilities in Tokyo and Washington also serve as platforms to promote a wide range of Canadian culture. We are currently redesigning our cultural facilities at Canada House in London. And we are planning ways to showcase Canadian culture at our new embassy in Berlin.

Here at home, we are elaborating a Canadian International Information Strategy. This strategy will bring together government and the private sector to raise Canada's international profile in an increasingly wired world. Government must work with Canadian writers, producers, film-makers and others to find new ways to project ideas and information abroad. As Anne Medina put it in a recent article, "It's time for us to build that third pillar of foreign policy. It's time because culture and information are our newest and best 'defence' weapons. And over the last decade we have built up a valuable arsenal. It's time to parade it in front of the world."

We continue to defend and promote Canadian culture in our relations with other countries, both bilateral and multilateral. One of our key tools is the international cultural relations program, which provides support through our embassies, and financial assistance to Canadian performers, visual artists, authors and film-makers to present their works abroad.

Despite wide-ranging cuts to Departmental budgets under Program Review, the core funding for this program has not been touched. Our overall level of financial support to Canadian artists is unchanged. At the same time, we have been looking at ways to make this money go further. After an extensive review, we have renewed and revised our grants policy.

I would like to take this opportunity to outline for you the new funding guidelines that I recently announced, which will link cultural activities more closely to our broader foreign policy objectives. The new guidelines aim to reflect Canada's full regional and cultural diversity abroad. They also stress the importance of offering opportunities to Aboriginal artists and to young people. Funding applications will be assessed on their relevance to Canadian foreign policy objectives, their artistic quality and their cost-effectiveness.

We also wish to encourage partnership with the private sector. To give you an example, last year in São Paulo, Brazil, we were able to use \$25 000 in funding to leverage private-sector donations of some \$2 million. These funds were used to stage one of the biggest Canadian cultural events ever held abroad.

As an important part of our new approach, we will target resources to particular themes or events. We will use special high-impact projects, sometimes involving a series of events, to highlight priority themes and regions in a coherent and

integrated way. The cultural component of Canada's Year of Asia Pacific is an excellent example of these new special projects. By targeting resources in this way, we will ensure that our international cultural grants work to promote Canada's international objectives - including strengthening our ties with the Asia Pacific region.

In the same way, we will be targeting our efforts for maximum impact in Europe and in the Americas. Canada will have a major presence at the year-long festival in Thessaloniki, Greece, for example, which has been designated as Europe's Cultural Capital for 1997. Toronto's Nexus percussion ensemble, the Tafelmusik baroque orchestra, Dancemakers, the Royal Winnipeg Ballet and Montreal's LaLaLa Human Steps will all perform at Thessaloniki, jointly supported by the Department of Foreign Affairs and International Trade and the private sector. The government is also planning a cultural program around the 1999 PanAm Games in Winnipeg, to highlight our cultural presence in the Americas.

This approach is new, and it represents something of a work in progress. We will continue to work to build a strong international focus in all of our cultural activities. Our aim is to promote and enhance international awareness and appreciation of Canada, in the borderless world of instant communications and global multiculturalism of the next millennium. I can think of no better example of this new meshing of culture and foreign policy, and of domestic and international priorities, than the cultural component of Canada's Year of Asia Pacific.

Conclusion

Our culture is one of the greatest assets that Canada brings to the world. It helps to explain Canada's values and to show our strength and our qualities as a diverse, creative people to an international audience.

You are an important part of the richness and diversity that make Canada stand out, and that have proven fertile ground for the development of a flourishing Canadian cultural life. I hope that all of you will partake in the wide range of cultural events planned throughout this Year of Asia Pacific. And, on the occasion of the Lunar New Year, I extend to you my best wishes for the Year of the Ox.

Gong-hey fat-choy!

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Statement

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AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY
MINISTER OF FOREIGN AFFAIRS
AT THE SPECIAL MEETING OF
THE NORTH ATLANTIC COUNCIL

BRUSSELS, Belgium
February 18, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



Government
of Canada

Gouvernement
du Canada

Canada

Thank you, Mr. Secretary General.

I would like to offer my congratulations to Secretary of State Albright. We watched with admiration her work at the UN. We consider it a positive step to be meeting here at NATO before her trip to Russia. As the other North American Ally, we would like to reinforce the need to build stronger transatlantic links.

Five months is not a long time to tackle the many challenges we have before us. We hope that this meeting will energize us for the work ahead.

Enlargement/External Adaptation

Let me say, first of all, that Canada is entirely committed to the enlargement of the Alliance. Furthermore, in view of its importance both for NATO and for aspirant countries, we believe that the process should be taken forward as quickly as feasible.

Canada favours a broadly based first wave of enlargement – one that is consistent with the Alliance's security mandate and based on the progress made by individual candidates in democratization, transparency and civilian control over the military.

Domestically, we have evaluated the case for each candidate and we have established a special ambassador to consult domestically and abroad on the issue of enlargement. Our assessment is that there are as many as five countries that might be admitted in the first wave.

But Canada also believes that the Alliance must also make it very clear at Madrid that the first wave of enlargement is not the last.

Process of Choosing

The process by which these new members are chosen is very important.

We welcome the proposal by the Secretary of State to discuss whether Partners should be invited to the Madrid Summit. In order for this to work, I believe three things would be necessary. First, a selection process for identifying the countries invited to join the Alliance should be agreed, including discussion by foreign ministers at Sintra, and the final results should be communicated to all prospective entrants prior to Madrid. We do not want to have an "Academy Award-style ceremony" where applicants wait breathlessly for the announcement. Second, the Alliance should examine carefully the impact of this proposal on NATO-Russia relations and agree how to manage political-level contact with Russia in the period prior to the Summit. And third, we would have to agree on how to manage other issues, such as internal adaptation, that were to have been discussed among NATO leaders only at the Summit.

Importance of Negotiations with Ukraine

A special NATO-Ukraine relationship is essential and will do much to strengthen Ukraine's sovereignty.

We fully support concluding an agreement with Ukraine prior to Madrid.

I am very pleased, Mr. Solana, that you are meeting with Mr. Udovenko next month to begin negotiations on a NATO-Ukraine special relationship.

We will be welcoming Mr. Udovenko to Canada in a few weeks and we will be reinforcing the same messages with him.

Baltic States - Atlantic Partnership Council

I am particularly concerned about the Baltic States, who will likely not be in the first wave of enlargement.

We have done some good work thus far with Partners on creating the proposed Atlantic Partnership Council [APC]; we must make this body a vital element of the European security architecture, in order to reassure both the Baltic states and other countries that do not make it into the first wave that NATO is concerned about their security.

I would like to reiterate the Norwegian foreign minister's point that these countries should be involved in the development of the APC.

NATO should establish offices in those Partner countries where circumstances and the volume of activities warrant this; as part of the principle of self-differentiation among Partners, the Baltics might be among the first to take up such an offer.

Obviously, direct bilateral initiatives by individual member countries would be helpful in building a sense of security among the Baltic states.

Russia - Secretary General as Negotiator

The importance of managing crucial Alliance issues at 16 applies especially to our relationship with Russia.

We need to re-commit ourselves today to a process on NATO-Russia relations that is Alliance-wide.

We need to avoid any sense of divisions within the Alliance and we need to make it clear that no group of countries may speak on behalf of the Alliance as a whole.

I want to express appreciation to the Secretary General for all the work he has done thus far. We need to come out of this meeting strongly endorsing his role as negotiator and underlining our commitment to thorough consultation and decision making.

Need to Meet Russia's Concerns

While enlargement cannot be held hostage to negotiations with Russia, we should do our utmost to reach agreement if at all possible. We should be prepared to review Russian proposals very carefully, in a pragmatic and flexible manner, in order to address Russia's legitimate concerns.

I would like to welcome the two proposals made by Secretary of State Albright for a joint council and a joint brigade as useful ideas for consideration. We look forward to hearing back on her discussions with the Russians.

But we need also to make clear to Russia that it is being offered a historic opportunity to move closer to the Alliance and to a new relationship with all its European and North American neighbours.

A closer relationship with Russia is a two-way street from which both NATO and Russia benefit.

Internal Adaptation - Reform

We need to move ahead before Madrid with internal reform. We need to do so in order to send a positive signal to Russia that we are reducing both the number of and budget for the integrated command structure. We need to do it in order to make it clear to new members that new command headquarters on their territory will be considered only if there is a compelling rationale. And we need to do it in order to preserve and demonstrate Alliance cohesiveness.

We also need to demonstrate to our respective legislatures that savings will occur from these changes.

War Criminals

Our work together in Bosnia is the best case for a new and revitalized Alliance. To achieve genuine and lasting reconciliation there, we must make every effort to apprehend those individuals indicted for war crimes. Canada has circulated a paper with a number of practical suggestions, including some proposals regarding support that SFOR [Stabilization Force] can provide. We are prepared to examine proposals for a separate force. It is important to demonstrate that justice can be done.

Conclusion

As we review the lessons of history, I would like to recall the contributions of the former Canadian Prime Minister, Lester Pearson, who 50 years ago asked for Article 2 to be incorporated into the Washington Treaty. The development of a broader identity for NATO is being reflected in our discussions on enlargement and in the enhanced relationships we are forging with Russia and Ukraine, as well as with the Baltic states.

Thank you.

CAI
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Statement

97/10

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE ART EGGLETON
MINISTER FOR INTERNATIONAL TRADE
ON THE OCCASION OF
PRESENTATION OF THE
CANADA-CHILE FREE TRADE AGREEMENT
TO THE STANDING COMMITTEE ON
FOREIGN AFFAIRS AND INTERNATIONAL TRADE

OTTAWA, Ontario
February 20, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Mr. Chairman,

When I was Minister responsible for Infrastructure, I had many opportunities to stand before my honourable colleagues in the House and report "Mr. Speaker, I have more good news."

And as you are all well aware, the Infrastructure program was a great success. It was a good example of three levels of government working together to enhance Canadian communities and create Canadian jobs.

On October 29, 1996, I had the pleasure of sharing with you the details of the Canada-Israel Free Trade Agreement – and tomorrow, I will be travelling to Israel along with a business delegation to promote that agreement.

But for today, it gives me even greater pleasure to be able to say to you, "Honourable colleagues, I have more good news."

This morning, I am proud to share with you the second free trade agreement signed by our government since coming to office in 1993. This time, we are taking a major step into Latin America and the Caribbean with the Canada-Chile Free Trade Agreement.

I can't stress enough the importance of trade to the livelihood of Canadians, and it is a message worth reinforcing today.

Trade now accounts for one out of every three jobs in this country. And trade constitutes fully 40 per cent of our entire gross domestic product [GDP]. In fact, Canada is more dependent on trade to produce jobs and economic growth than any other developed country in the world.

With a relatively small domestic market, Canada has no option but to find new markets abroad if we are to create the opportunities that we want for our children and future generations.

We expect that this agreement will be a bridging agreement that will facilitate Chile's accession to the North American Free Trade Agreement [NAFTA]. But, by signing this agreement now, we can provide Canadian companies with a significant head start into the Chilean marketplace.

Not only does this agreement provide a considerable advantage over our American, European and Asian competitors, but it also gives us a leg-up on Chile's regional trading partners as well. This initiative is important to Canadian businesses active in the region who look forward to its implementation by June 1997.

This agreement is significant for other reasons:

- It secures access for Canadian companies to a dynamic and strategic market.
- It demonstrates our commitment to freer trade throughout the hemisphere – and it is only the beginning.

- It will create jobs for Canadians and a new economic relationship between government and the private sector in Canada and Chile, which will support further efforts to liberalize trade in the Hemisphere.

Our government's long-term objective in the Latin America-Caribbean region is a Free Trade Area of the Americas [FTAA] by the year 2005. This was the target agreed to by all heads of government at the Miami Summit in December 1994. And this is the target we are working diligently to see realized.

We see the FTAA as providing a common connection between the NAFTA countries and other trading areas in the region such as MERCOSUR, formed of Brazil, Argentina, Paraguay and Uruguay; the Andean Pact; the Group of Three; and the CARICOM countries. This free trade agreement with Chile helps open the door to this exciting region.

With growth second only to Asia, Latin America and the Caribbean represent an opportunity we cannot ignore and a market we cannot forgo. By the year 2000, this region will boast a total population of nearly 500 million, 50 million of which will be middle and upper income earners. And the region will produce a GDP of US\$2 trillion.

And more than just a demonstration of our commitment to freer trade within this hemisphere, this agreement also stands as further evidence of Canada's commitment to freer trade around the world.

As these new opportunities have opened up, Canadians have embraced them with energy and success. Canadians have risen to the challenge of freer trade and stiffer competition. Our companies have restructured and innovated to become more efficient and more competitive. Quite simply, Canadians have taken the world by storm.

The figures speak for themselves. In 1992, our trade surplus stood at a little over \$6 billion. Just two years later, in 1994, that number had more than doubled, to nearly \$15 billion. And yesterday Statistics Canada announced Canada's trade surplus at over \$34 billion.

That's what Canadians can do when markets are opened up to them. That's what Canadians can do when they compete on the international stage against the best in the world. And that's the type of growth that we are determined to sustain by seeking out new markets and new opportunities for Canadians.

I believe that this free trade agreement with Chile will play a significant role in the future development of Canadian trade.

Chile has the most stable and fastest-growing economy in its region. Over the last decade, annual economic growth has averaged almost 7 per cent. Market-oriented policies have encouraged an entrepreneurial spirit and a strong private sector.

In 1995, Chile had a budget surplus amounting to about 2½ per cent of GDP, while their foreign debt was only about 10 per cent of GDP.

The second free Presidential election, held in 1993, demonstrates that Chile's transition to democracy is proceeding smoothly and putting down firm roots in Chilean soil.

With low unemployment, falling inflation and increasing wages, Chile has established its credentials as a desirable trade and investment partner. And Chile has strong trade links not only in the region, but also with the European Union and Asia.

Canadians have been quick to take notice of this positive environment, and trade between our two countries has risen dramatically. In fact, over the past decade, Canadian-Chilean trade has more than tripled – from \$202 million in 1983 to a high of \$666 million in 1995.

In one year, 1994 to 1995, our exports to Chile grew by an impressive 23 per cent.

And the nature of our trade with Chile is also changing. Since 1988, Canadian exports of machinery and industrial equipment surpassed exports of raw materials and are growing at an average rate of 26 per cent a year.

These investments are encouraging further exports of Canadian value-added goods, as well as joint ventures between Chilean and Canadian small and medium-sized companies. They also create opportunities for Canadian companies to provide goods and services to Canadian investors in Chile.

Canadian investors are increasingly seeing Chile as a good place to put their money. So much so, that we were Chile's largest foreign investor in 1990, 1992 and 1995. The cumulative total of actual and planned Canadian investment there now exceeds \$7 billion.

Much of these funds are invested in mine development, but investment in banking, communications and energy is also on the rise.

One of Canada's priorities is to more effectively protect its substantial investment in Chile. We have been able to do this through foreign investment insurance from the Export Development Corporation [EDC], which has financing lines of credit with both the Banco Sud Americano and Banco O'Higgins. And these EDC programs are open to both the private and public sectors.

Reaching a double taxation agreement with Chile has also been an important objective for Canada. The two nations will begin negotiations on this after framework laws, which will soon be going to the Chilean Senate, are approved.

More than 50 Chile-Canada joint ventures are already operating in Chile, ranging from fighting forest fires to building industrial machinery. This will generate increased opportunities for exports of goods and services.

And so, the ties between our two countries have been growing dramatically in recent years. It was only natural that two countries, which are both trading nations, both with a significant natural resources component to their economies, would want to expand trade between them.

That is why Prime Minister Chrétien led Canada's first trade delegation to Chile in January 1995. More than 250 business people, representing more than 185 companies, joined the Prime Minister on that trip.

During the visit, 33 Canadian business people signed deals worth more than \$1.7 billion, including \$918 million in contracts and \$846 million in agreements in principle with Chilean partners. In addition, Canada's Business Council on National Issues signed a strategic alliance with the Confederacion de la Produccion y del Comercio to promote direct business links.

Memorandums of understanding on the environment and on telecommunications were also signed during that visit.

And the Alliance of Manufacturers & Exporters Canada and its Chilean equivalent developed an exchange program, which has been up and running since 1992.

The Association of Consulting Engineers of Canada and its Chilean counterpart, the Asociacion de Ingenieros Consultores de Chile, have also created an exchange program.

With so much contact between our business communities, and so much exchange of personnel and information, the next logical step was a free trade agreement between our two countries. This was a natural step for Chile along its the path to NAFTA membership.

Canada had four main objectives when pursuing this bilateral agreement:

- First, to obtain barrier-free access to Chile's markets.
- Second, to protect Canadian investment.
- Third, to secure Canada's attractiveness as an investment site.
- And fourth, as has been mentioned, to provide a bridge to Chile's accession to the NAFTA.

We believe that all of these objectives have been met by the agreement that we have signed, and we are confident that our overall

objective of stimulating Canada's economy and creating Canadian jobs will be met.

Let me just quickly outline the main elements of the agreement:

- Immediate duty-free access for most of Canadian industrial goods, which account for 80 per cent of our exports, as well as the elimination of Chile's 11 per cent import duty on almost all remaining industrial and resource-based goods within six years.
- Better access for a range of agricultural goods, including durum wheat, barley, lentils, seed potatoes, pork, canola products and beef. Our exporters' overall access to Chilean markets will now be better than that of their competitors in the United States and the European Union, and as good as Argentina and Brazil.
- Significant new protection for Canadian investments in Chile, including an agreement to automatically grant Canadian investors the benefits of any further liberalization that may occur in the future.
- Important new guarantees for Canadian exporters of services.
- The creation of a Free Trade Commission and secretariat to ensure the timely and effective resolution of disputes.
- Side agreements on environment and labour — the first agreements of this nature ever signed by the Government of Chile.
- The mutual elimination of anti-dumping duties within a maximum of six years. This will further guarantee barrier-free access for Canadian exports to Chile and contribute to making further progress in reforming and eventually eliminating anti-dumping measures within the NAFTA.

It is also important to note what this agreement does not cover. The agreement exempts cultural industries, the Auto Pact, and supply-managed products. And social and health services are fully protected.

While this agreement is good news for all of our exporters, it holds particular potential for Canadians in the following areas:

- technologically advanced telecommunications equipment and specialized consultancy services;
- durum wheat, oilseeds and other similar crops;
- coal, mining and energy generation and transmission equipment; and
- forestry-related and environmental products and services.

And as Chile modernizes its infrastructure, there is tremendous potential for Canadian companies both in construction and in consulting.

In December of last year, it was my honour to participate in Canada Expo '96, a trade show for Canadian businesses, which was held in Santiago. Over 170 Canadian companies demonstrated their products and services. More than 4000 people visited the fair.

Following this trade show, major new announcements were made by NorTel, Rio Algom, Newbridge and Teck Corporation. These projects are estimated to be worth several hundred million dollars.

And it wasn't just the major companies that realized the potential of Chile. A survey of small and medium-sized businesses that attended Canada Expo '96 indicates that they also foresee substantial business opportunities in both the short and long terms.

As you can see, honourable colleagues, Chile is our doorway to Latin America. And Latin America holds the promise of explosive growth and amazing opportunities for Canada. Let us embrace this agreement and others that will follow.

Thank you.

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Statement

97/11

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE CHRISTINE STEWART
SECRETARY OF STATE (LATIN AMERICA AND AFRICA)
AT THE AMSTERDAM CHILD LABOUR CONFERENCE

AMSTERDAM, The Netherlands
February 26, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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I would like to thank the organizers of this conference, the Dutch government and the International Labour Organization [ILO]. Child labour has increasingly become the focus of international attention, and there is a growing determination to end practices that exploit children. I commend our hosts for the commitment they have shown to advancing the fight against this global challenge.

I commend them also for the consultative approach they are taking. By bringing together governments, workers and employers organizations, NGOs [non-governmental organizations], and representatives of international organizations and of working children – all of whom have significant contributions to make – they are providing new impetus for progress.

Child labour is a complex issue, both to define and to address effectively. That is why it is so important to bring together as wide as possible a range of views and experience through events like this conference.

We must recognize that not all forms of child labour are exploitative or abusive. But those forms that deprive children of their right to fully realize their mental and physical potential, and expose them to hazardous and dangerous work, contravene a basic human right. Moreover, they rob countries of their most valuable resource for future economic development – a healthy, educated adult workforce.

For that reason, Canada supports an approach that recognizes child labour as a human rights issue as well as a development issue. An issue, in other words, that requires a multi-disciplinary response from a broad alliance of national and international authorities, civil society, and non-governmental organizations.

Domestic Situation

Our hosts have asked us each to speak to our domestic situation. In Canada, the Government has made the rights of children a priority in both its domestic and its foreign policy agenda. As stated in the Throne Speech for the last session of Parliament:

In keeping with its commitment to advancing human rights and dignity, the Government will make the rights of children a Canadian priority and seek an international consensus to eliminate exploitative child labour.

Domestically, our aim is to live up to our commitments under the UN convention on the Rights of the Child. We must ensure that we are looking after our own children's welfare.

In Canada, labour matters fall under both federal and provincial jurisdiction. Federal and provincial legislation generally

prohibit employment of underage children during school hours and in specific situations that could be injurious to their safety, health, education or welfare. Increasingly, however, some children are falling through the cracks and working outside the formal sector.

Unfortunately, there are no accurate data on the number of children in Canada who work, and information is difficult to obtain. We are working with our provincial counterparts, trade unions, children's NGOs and others to develop a more complete picture. Sadly, our large urban centres, like other major western cities, have their share of under-age workers and street kids being exploited in the commercial sex trade.

The Canadian government has taken a number of steps to tackle this problem. A new Parliamentary Subcommittee on Sustainable Human Development has chosen child labour as the first subject for its work. Its report was released last week and contains many interesting recommendations on using official development assistance, engaging the private sector, supporting the participation of civil society and involving youth. The Government will be issuing a thorough response in the coming months. In our most recent budget, issued two weeks ago, the Government announced a national child benefit system under which the federal government would introduce an enriched Canada Child Tax Benefit. In turn, the provinces and territories would redirect some of their spending into better services and benefits for low income families with children, especially the working poor.

Canada also recognises that domestic measures can help to protect the children of other nations, as well as our own. The Canadian government introduced last year legislation that allows for the prosecution of Canadian citizens and permanent residents who engage in commercial sexual activities with children while abroad. This legislation will provide a new and powerful weapon to fight so-called "sex tourism." The Minister of Foreign Affairs, the Honourable Lloyd Axworthy, has also appointed Senator Landon Pearson as Advisor for Children's Rights to recommend how Canada can most effectively move forward on its international commitments to children.

Regional Situation

Within our region, Canada, with its North American Free Trade Agreement [NAFTA] partners, the United States and Mexico, is focussing on the question of child labour and working conditions of young people as part of its program of co-operative activities. The North American Agreement on Labour Co-operation [NAALC], one of two parallel agreements to the NAFTA, commits us under one of its eleven principles to protecting the rights of children and young people.

The first of our co-operative activities, a tripartite conference on child and youth labour in North America, ended yesterday in San Diego, California. The conference explored innovative ways to end inappropriate participation of children in the workforce. It also discussed how NAFTA countries can reduce risks to the health, safety and educational opportunities of children and youths who are legally in the workforce.

To give just one example of the sort of innovative projects discussed at this conference: The Quebec Employers Council and the Quebec Teachers' Central Labour Body, two organizations which do not always see eye to eye on labour matters, have developed a voluntary code of conduct for employers. The code will improve the working conditions of young people under 16 years of age, while ensuring that their school work doesn't suffer, and limits work hours to no more than 15 a week during the school year. It has been well received by most stakeholders.

We are also working directly with regional partners on child labour issues. During my January visit to Cuba, our two governments agreed that Cuba would host a workshop on women's and children's rights in Havana in April 1997. Canada and Cuba have much in common in this area, but can also learn from one another's experiences. Planning is currently underway for this workshop.

Multilateral Situation

In the multilateral arena, there has been a welcome new focus on and impetus given to efforts to tackle child labour. UNICEF's recently published Report on the State of the World's Children, focussing this year on child labour, provides additional impetus to the efforts of the international community.

A key element in these international efforts is, of course, the work of the UN Commission on Human Rights on guidelines for two optional protocols to the Convention on the Rights of the Child: one on the sale of children, child prostitution and child pornography; and the other focussing on children in situations of armed conflict. Canada actively supports work on the optional protocols.

We are also following up on the Agenda for Action of the Stockholm World Congress Against the Sexual Exploitation of Children, which Canada's Minister of Foreign Affairs attended last August. As I said at that time, it is hard to believe that on the eve of the 21st century, we are still trying to deal with what is essentially a form of slavery: the sex trade involving children. As I noted, our efforts on this front have included a parliamentary bill that will make Canadians who engage in sex tourism abroad liable to prosecution in Canada.

In this regard, I am pleased to inform you that the Canadian Government has now ratified the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption. By establishing guarantees that international adoptions are carried out in the children's best interests, the Convention, and the system of co-operation between member States it sets up, will help prevent the abduction or sale of, or trafficking in, children.

Developing international agreements and domestic legislation form one arm of the campaign to end abusive child labour. But there is a second, equally important arm: to attack the root causes of abusive child labour by reducing poverty and meeting basic human needs. When family income is raised and poverty alleviated, children no longer need to work to provide income for the family.

This approach is central to Canada's efforts in development co-operation. The Canadian government has promised to commit 25 per cent of Canada's international development assistance to basic human needs, including three areas aimed at the problem of child labour.

The first is providing affordable access to primary education, particularly for girls. Basic primary education programs act as preventive measures. Keeping children in school reduces the likelihood they will be exploited in the labour market.

The second is improving the status, role and economic security of women as equal partners in development. These measures directly promote the well-being of children.

Third is support for good governance. This is essential if governments are to advance social development goals in partnership with civil society, and enforce existing laws and regulations governing the employment of children.

We also support a number of projects that directly help those children most vulnerable to abuse under systems of child labour. For example Canada supports the UNICEF Girl-child Education Initiative in several African countries, which can be seen as a child labour prevention program.

Canadian officials are currently investigating the issue of applying child impact assessment standards to our foreign aid and trade-assistance programs.

More than any other multilateral body, the ILO has been the focal point of international efforts to combat child labour. We should pay tribute to its long-standing efforts, which have made it today a leading authority on the issue, in terms of both data collected and practical experience.

The recently published report "Child Labour: Targeting the Intolerable" is an excellent example of the ILO's work in providing information on law and practice, as well as practical approaches on how to remove children from debt bondage, prostitution and hazardous occupation and activities.

The ILO's International Program for the Elimination of Child Labour [IPEC], is distinguished by its flexible and multidimensional approach, its emphasis on specific country needs, and its engagement with government and non-governmental organizations at the country level. Together these provide an effective, well-managed instrument to deal with the complexities of child labour, capable of producing concrete results. One proof of its success is its rapid expansion, from programs in six countries in 1992, to some 450 action programs to date in 20 countries, funded by 11 donor countries.

Last year, Canada contributed \$700 000 to the IPEC. Our funds support:

- country reviews to assess progress made in combating child labour;
- analysis of factors and conditions that foster or impede action against child labour; and
- analysis of the effects of concrete measures in six countries (the Philippines, Thailand, Kenya, Tanzania, Brazil and Turkey).

Similar studies with funding from other sources are also under way in Indonesia and India. The lessons drawn from these country reviews will facilitate further program development and form the basis for a general "best practices" guide for use by national and international organizations combatting child labour.

The analyses will contribute to the technical discussions that you will be holding tomorrow, as well as to those in Oslo in October. They will provide essential data for the formulation of an effective new convention on child labour.

We have already learned valuable lessons from the IPEC program. Work over the past few years has shown that child labour problems can be solved only by the countries where these problems occur, through a comprehensive, progressive approach that mobilizes numerous players in government and in the population. Only by achieving a broad social consensus will it be possible to put an end to the exploitation of working children.

Canada will participate actively in developing the new convention and the ILO conferences planned for 1998 and 1999. We will be preparing positions for these events in close co-operation with

our provincial colleagues, employers' associations and labour organizations. Our aim is to make the employment of children in hazardous industries, bonded labour and child prostitution utterly unacceptable and, like slavery, a thing of the past.

This conference will be an important step towards that goal, by giving us a better understanding of the complex problem of child labour. I look forward to receiving reports of your technical discussions. I would like to express again my gratitude to our hosts for their initiative, and also to wish our Norwegian colleagues and the ILO every success in their efforts leading up to the October conference in Oslo.

I would like to conclude with the words of the elders of one of Canada's First Nations:

There is a common belief among the Cree Nation that a child is a gift or loan from the Great Spirit and that you were given the responsibility to raise and care for that child. Since a child is a gift from the Great Spirit, the child is 'sacred' and must be treated with respect and dignity.

Thank you.

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Statement

97/12

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE ART EGGLETON
MINISTER FOR INTERNATIONAL TRADE
TO THE BOARD OF
THE ASSOCIATION OF UNIVERSITIES AND COLLEGES IN CANADA
"EDUCATION: INTERNATIONAL MARKETING CHALLENGES
AND OPPORTUNITIES"

OTTAWA, Ontario
March 5, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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I am delighted to have this opportunity to share with you some views on the importance of the international dimension of education in Canada. I look forward to hearing your comments, questions, and advice over the course of our luncheon.

Some among you may wonder why the Prime Minister, the Foreign Affairs Minister and the International Trade Minister are all so interested in the internationalization of higher education, including education marketing, that we would each speak on the same day on the subject. Let me explain.

The international dimension of higher education equals job creation, economic stimulation and competitiveness – which remain Canada's top priorities.

Many of you were on the latest Team Canada mission to Asia. Thanks in large part to an effective strategy on the part of the AUCC [Association of Universities and Colleges in Canada], education was a major theme in this year's Team Canada, reflected in the individual education-related events during the mission.

Team Canada, working as it does through partnerships among governments and key economic sectors, is a winning strategy that creates jobs and growth in Canada.

That said, today, I want to talk to you more specifically about "Education Team Canada." When I talk about Education Team Canada, I am talking about a partnership that includes those among the relevant departments in the federal and provincial governments, municipalities, the corporate world, public and private educational providers at every level, associations such as the AUCC and private consultants. The degree to which we can unite in our efforts will largely determine how successful we will be in selling Canada's excellent education services and products abroad. The real competition is not within Canada but beyond our borders.

Where does the Department of Foreign Affairs and International Trade [DFAIT] fit into this partnership? Our role remains that of a catalyst. Without infringing on provincial government mandates in education, we in the Department act as a catalyst in bringing institutions and associations from across Canada together to address marketing challenges and opportunities.

Let me emphasize, however, that we are not the principals. You are. We in this department will do our best to provide you with support that no other entity can provide. We will do our best to furnish you with marketing information and intelligence, as well as marketing tools. We will look for innovative ways to provide more on-the-ground assistance for your marketing efforts at our missions abroad, and we will help you get better access to International Finance Institutions [IFI] education contracts. We will also work closely with you on the development of marketing strategies so that you can go out and get the job done

effectively. But you are the principals. Let there be no mistake about it.

I will come back to the importance of working in partnership a little later, but first I'd like to spend a few moments talking about the benefits of international education for Canada. Just how does international education contribute to jobs and growth in Canada?

I'll give you a few examples and statistics. As the Prime Minister indicated this morning, according to a recent study, in 1994-95, international student expenditures alone contributed \$2.3 billion to the Canadian economy and represented about 21 000 jobs.

At the University College of the Cariboo in Kamloops, B.C., it has been shown that international students last year contributed \$11 688 000 to the Kamloops economy - not an inconsiderable amount.

In another part of the country, the president of a multi-language school in Montreal figures that for every eight new students who take up places in his school, he needs to hire one more teacher. For every 54 new students, he needs to hire an additional administrator. He has just set up a new school in Toronto.

These are just a few examples that demonstrate how international education contributes to the Canadian economy.

This phenomenon is taking place against a backdrop of declining domestic student enrollments and budgetary cutbacks, both of which provide a sharp stimulus for public and private education institutions to generate alternate sources of revenues if we are to maintain our current high standard and quality of education. International education creates jobs and generates revenues.

Education is also an instrument of diplomacy, and we in Canada have an opportunity to influence the next generation of world political and economic decision makers through one of the very best education systems in the world.

Think of our country and our education system: our environment is relatively safe, our tuition fees are modest, we can offer education in French and English, and we are a home to cultures from around the world. We quite rightly have an international reputation for being an attractive country in which to study - and a nation of people eager to make long-term commitments and friends.

International education means enhanced understanding between peoples and countries - enhanced understanding culturally, politically and economically. Such understanding will help

ensure Canada's success in the international marketplace and help promote the acceptance of Canadian policy interests abroad.

One of the best examples to illustrate what I mean involves the AUCC and most of the institutions represented in this room. On March 20-21, over 17 representatives of universities from every region of Canada and institutions of French and English instruction, a member of the AUCC, and two officials from our department, will form a delegation to participate in an Education Fair in Venezuela sponsored by the Fundayacucho, the Foundation that administers the World Bank education loan in that country. This Education Fair is directed towards postgraduate scholars. The Venezuelan Foundation hopes to place up to 100 of their top students in Canadian postgraduate schools. The Canadian Ambassador has backed this initiative from the outset, as it will form a centrepiece of celebrations of the 50th Anniversary of Canada-Venezuela relations.

Last year American universities received 418 of these coveted scholars who have their tuition paid through the World Bank loan and receive a stipend of \$US 1 000 a month during their stay at university. Canada received only 13. More Venezuelan postgraduate students went to the University of Colorado (Boulder) than went to all universities in Canada! This must change. This will change.

While Canada is holding its own in the international education marketplace in places where we market effectively, there is a widespread view that we could be doing much better.

The Government of Canada is sensitive to this opinion. We have stepped up our assistance to Canadian education exporters over and above our commitment in Asia Pacific with the Canada Education Centre [CEC] network, and we plan to do more. Let me tell you how.

The CEC network in Asia, based on a partnership between the Government of Canada and the Asia Pacific Foundation of Canada and founded on cost recovery principles, is one vehicle designed to promote Canadian education services and products internationally. But the education market is surging in many parts of the world: in South America, the Arabian Peninsula, South Africa, the European Union and Eastern Europe, and Russia to name a few.

The market is not, however, sitting waiting for us. We need to hone our marketing skills and move with a sense of urgency. We face fierce competition. The Australians, the New Zealanders, the British, the French, the Americans and now even the Russians, have stepped up their efforts to promote their education institutions.

Meeting the challenge of developing this market will require concerted effort on our part. I firmly believe we can meet the challenge.

As I mentioned earlier, the key lies in partnerships. We need to come together like never before. With growing worldwide interest in education and the transformation taking place in our economy, Education Team Canada has a unique opportunity to become a team of international education marketing partners on a grand scale.

While you in this room are the ones who deliver the education services and products, DFAIT must fulfil its part in this partnership. I therefore would like to outline for you a number of initiatives that we have undertaken in the last year and some of our thinking for the future.

Over the last 12 months, we have identified a number of new education markets and broadened our focus in terms of determining education market potential. No longer are we simply developing markets for attracting fee-paying and well-qualified international students to Canada, but we are exploring the potential for obtaining lucrative International Finance Institution contracts in the education and health training area, and examining the prospects for selling New Learning Technologies [NLTs], of which Canada has well-developed capacities in both official languages. For instance, under a World Bank loan, Argentina is undergoing a massive restructuring of its education and health systems worth millions of dollars. Canada has the capacity to obtain a good piece of the action, but we will need to push for it.

We are also developing new vehicles to support your marketing efforts at our missions abroad. At our Embassy in Athens, by May 1, an Education Resource Centre [ERC] will be up and running. The ERC simply involves the conversion of a locally engaged staff member, complete with new job description, into an education marketing officer. The ERC will be located in the Canadian Embassy and will be staffed by a Greek national who studied at a Canadian university. The Manager of the Greek ERC will be coming to Canada on a familiarization tour in the latter part of this month and she hopes to meet many of you and your representatives.

In Venezuela, the Canadian Embassy has established a ground-breaking affiliation with the Asociacion Venezolano-Americana de Amistad [AVAA], which allows Canada to use the resources of the AVAA to promote Canadian education institutions. It is this alliance with the Americans and the Venezuelan Foundation that is sponsoring the Fair where most of you will be represented later this month.

We will encourage such partnerships in other countries. Certainly the Canadian Studies centres networked around the world

could prove effective allies in making Canadian education opportunities better known. Similarly, the scholarly exchange programs we have in place with different countries should raise the profile of Canadian education institutions. In other words, we should see all programs, whether designed for marketing or designed to increase the knowledge of Canada abroad, working in an integrated fashion so that together they reinforce both objectives. It is for this reason that all of the Department's international academic responsibilities have been joined together in the International Academic Relations Division.

We are in the process of exploring the possibilities of establishing Education Resource Centres in the Arabian Peninsula, South Africa, Colombia, Russia, Germany and Washington, D.C.

We will also be addressing the training needs of new foreign officers, whether they are in the trade, political or immigration stream, to be able to promote your education interests abroad. Our Canadian Foreign Service Institute [CFSI] will be turning out new foreign service officers with a sensitivity towards education marketing by this fall.

We have also encouraged a Canadian consortium to develop a CD-ROM with Internet capabilities that can be used to help market your education institutions abroad. This powerful marketing tool will bring the excellence of Canada's education institutions and services to the attention of education leaders and international students around the world. Over 80 schools, many of which are represented here today, are featured on the CD-ROM, complete with audio and visual campus tours.

Our department will distribute this CD-ROM for use in all its diplomatic and trade missions abroad, as well as to foreign Canadian Studies centres. The technology will also be used throughout the Canadian Education Centre Network, where other materials in local languages are also available. In addition to being produced in both official languages, the text portion of the CD-ROM will be translated into Spanish, Portuguese (to get at the significant Brazilian market) and German. The CD-ROM will be ready for commercial distribution by April 1 and will be sent to our missions shortly thereafter.

These dramatic developments in international education marketing beg the question: are our structures up to this marketing task? Is the Department of Foreign Affairs and International Trade organized in such a way as to be able to provide the optimum support for your marketing efforts? By the same token, is the AUCC, as an organization, and its individual members, situated in such a way as to take maximum advantage of the vast education marketing opportunities abroad?

To address these and related questions, the Department of Foreign Affairs and International trade plans to hold a National Conference in the same month that Minister Axworthy addresses the National Association of International Educators [NAFSA] conference in Vancouver on May 23 to determine how education providers and government can best work together to support the international dimension of education, including marketing, as we head into the next millennium.

By coming together in common cause, we can lend added value to individual efforts and give Canada a competitive advantage in the international education marketing world. By doing so, we will strengthen our higher education institutions, which in turn can better prepare Canadians individually and collectively to meet the competitive challenges of the future.

Thank you.

CAI
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-S77

Statement

97/13

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE CHRISTINE STEWART,
SECRETARY OF STATE (LATIN AMERICA AND AFRICA),
IN THE HOUSE OF COMMONS
ON THE OCCASION OF COMMONWEALTH DAY

OTTAWA, Ontario
March 10, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Mr. Speaker,

Today is Commonwealth Day. It is observed every year on the second Monday in March by all Commonwealth countries to celebrate the Commonwealth, its values and principles.

The theme for this year's Commonwealth Day is "talking to one another." Communication has always been an important feature of the Commonwealth, whether it is between governments, non-governmental organizations [NGOs] or simply interested individuals. Although the Commonwealth consists of 53 diverse countries, it is a family of nations with many shared values and beliefs. By talking to one another, whether at intergovernmental meetings, or increasingly through the Internet, we in the Commonwealth have advanced the causes of democracy and human rights and the fight against poverty and injustice, which are extremely important to us.

Mr. Speaker, last year was an important year for the Commonwealth. Canada played an active role in the Commonwealth Ministerial Action Group (CMAG), which has met seven times in the last 15 months to discuss serious and persistent violations of the Harare Declaration. CMAG was created as a result of the last Commonwealth Heads of Government Meeting in New Zealand in 1995, to study the situations in Nigeria, Gambia and Sierra Leone. This was part of a wide-ranging plan adopted by leaders for increased action to promote democracy, development and consensus building. The Action Group will present its report to the Heads of Government meeting in Edinburgh in October.

Mr. Speaker, at the Edinburgh meeting, the Harare Declaration will be consolidated and strengthened as we revisit the issues of democratic development in our member states. In addition, for the first time, the broader economic issues of trade, investment and development among our member states will be a major focus of our discussions. An NGO forum and a business forum will be held in conjunction with the governmental meeting, drawing together the vitality of the private and public spheres.

Mr. Speaker, the Commonwealth is much more than governments and officials. It is also a vibrant and growing association of ordinary people in every part of the globe. Thousands of Canadians are active in the professional, development and service associations that are the strength of the Commonwealth. The relationships built among Canadians and individuals through these organizations are an important force in developing international understanding.

This year we went one step further by looking beyond governmental meetings and actively consulting with both the private sector and the Commonwealth NGO community on how government can best promote and preserve democratization and human rights. The round-table sessions were successful, and several good initiatives are being

developed as a result. We look forward to more consultative sessions in the future.

Mr. Speaker, the Commonwealth is a force in the world for the values Canadians cherish.

I urge all members to join me today in saluting the Commonwealth.

Thank you.

CAI
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-STT

Statement

97/14

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NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY
MINISTER OF FOREIGN AFFAIRS
TO THE WORLD AFFAIRS COUNCIL

"CANADA AND THE UNITED STATES IN A CHANGING WORLD"

LOS ANGELES, California
March 14, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



Introduction

I am pleased to be in Los Angeles to speak to such a distinguished audience. I would like to thank the World Affairs Council for providing this opportunity to outline for you how Canada sees itself in a changing global context, and particularly in its relations with the United States.

Over the last decade or so, the world has experienced a profound geo-political shift. To use a metaphor that will have particular resonance here in Los Angeles, the tectonic plates of international relations have realigned themselves. In doing so, they have unleashed huge forces. A new landscape is beginning to appear, but the aftershocks of these movements are still going on. New countries are taking shape, and people are making their voices heard in the world in a way they could not before.

Countries are being forced to redefine their international relations in the face of the trends that underlie this tectonic shift:

- increasing economic integration and interdependence, linked to the process of globalization;
- the realization that "human security" – human rights and fundamental freedoms, the rule of law, good governance, sustainable development and social equity – is as important to global peace as arms control and disarmament; and
- the changing nature of diplomacy itself, as we redefine alliances, partnerships and the role of international co-operation.

Canada-U.S. Relations in an Era of Change

Nowhere is this process of redefinition more clear than in our relationship with one another. Our two economies are becoming increasingly integrated, both nationally and regionally. In 1996, Canada's two-way trade with California was about C\$20 billion – approximately the same figure as all of our trade with Japan. We, in turn, are your second-largest trading partner and fourth most important foreign investor. Canadian trade and investment supports some 238 000 jobs in California.

In addition to quantitative increases in flows of goods and funds, there has been qualitative change, as Canadians and Americans work together in innovative ways. Los Angeles has long been a magnet for Canadians working in the entertainment and communications fields – so much so that it is now home to the largest Canadian population outside Canada. Increasingly, though, Hollywood is heading north. Last year the Disney Corporation established animation studios in Vancouver and Toronto. The popular "X-Files" series is one of many American television programs filmed in Vancouver. Altogether, Canada earns in the order of C\$500 million a year from film and television production services of this sort.

Environment: Shared Stewardship

Our growing interdependence is not just a phenomenon of trade and investment. It is increasingly urgent that we work together to manage and protect the ecological footprint that we share. Neither natural resources nor environmental pollution are any respecters of national borders. The west coast of the United States and of Canada share many environmental concerns: global warming, the depletion of forests, and management of shared water resources and fish stocks.

California's imports of Canadian natural gas - C\$1.1 billion in 1995 - are one example of how we can co-operate in combatting global warming by moving to cleaner energy sources. Another positive development is the recently started stakeholders talks on British Columbia salmon. I do not want to prejudge the outcome of an ongoing process, but I think the nature of the process itself is noteworthy. This is a process with local "buy-in," both by Canadians and Americans who make their living from the salmon fishery, and by the governments of your neighbouring states and the province of British Columbia. It is a process that recognizes that the days when all international issues could be settled by national governments alone are over.

Culture and Communications

Yet another area of growing interdependence, where we need to find creative responses to global trends, is culture and communications. I have already referred to our links as producers, be it in the development of a "Hollywood North" or the Canadian expatriate community here in Los Angeles. We are even more closely linked as consumers of cultural goods and services. For example, 80 per cent of the English-language magazines that Canadians buy from their newsstands are American. At least 70 per cent of the music that Canadians listen to on English-language radio stations in Canada is foreign, mostly American. Americans in turn consumed C\$977 million in Canadian cultural goods and services in 1995.

These figures for the market share of American goods and services show just how open the Canadian market is to foreign cultural products. I had an interesting conversation on this issue recently with a member of the U.S. Congress. I asked him what he would consider a fair percentage of U.S. penetration of our film and television markets. His view was that a maximum of 50 per cent would be acceptable. In that case, I told him, Canadians had better get to work on retooling our system, because currently 90 per cent of the films and 80 per cent of all non-public affairs television programs that we watch are American. It seems we are not living up to your standards!

In this context, it is important to recognize that interdependence is not the same thing as integration. We need to retain some space of our own, in which Canadians can hear their own voices tell their own stories. We need to do this because of the fundamental role that culture plays in forming national identity. For Canada in particular, forming and reinforcing a sense of national identity is a crucial part of nation building, and hence a vital national interest. Our commitment to that option has only strengthened as we move towards a 500-channel universe, in which it is all too easy for individual voices to be swamped.

In other words, the goal of Canada's cultural support mechanisms and of public policy instruments relating to issues such as foreign ownership or priority cable carriage, is to encourage and develop indigenous capacity, not to obstruct foreign content. On the contrary, Canadians can choose from one of the largest and most diverse arrays of programming and materials available anywhere in the world. And that choice can only expand with the ongoing revolution in communications technology.

We need to be creative in our bilateral relations in responding to global change of this magnitude. Not just on culture, but also in areas such as environmental protection and resource management, we have scores of bilateral agreements and mechanisms for dispute settlement. But virtually no processes exist to foster forward-looking dialogue and policy exchanges. We should not simply be waiting until things go wrong, and then discussing our disagreements in the litigious atmosphere of a dispute panel.

If we do that, the danger is that we get stuck in a "Honeymooners" mode, where we take each other for granted except when we quarrel. Instead we should be thinking ahead, and looking for ways to co-operate actively, not simply to avoid or settle disputes. And we should be encouraging a wide range of stakeholders to share with us their thinking on how to prepare for, adjust to and benefit from global trends.

I raised this with Secretary of State Albright when I was in Washington a few weeks ago. The meeting between our Prime Minister and President Clinton next month will be another opportunity to discuss innovative ways in which we can advance co-operation and share ideas. If we are successful in this, both our nations will benefit. At the same time, we will be providing a model to others of a complex, multifaceted bilateral relationship that works; that goes beyond managing disputes to build new ways to deal with the global challenges we all face.

Canada and the United States in a Changing World

This is particularly important because the United States remains, as President Clinton put it, the "indispensable nation": the

acknowledged single economic, political and military superpower in the world. As such, the United States has both a special capacity and a responsibility to act as the promoter and protector of the international rule of law, and the guarantor of the system of international institutions.

At the same time, it is important to recognize that Canada is also a global power, that we reach into Asia Pacific, into Europe, and particularly into the Americas. I like to think of Canada as the "value-added nation." Canada has the capacity to act as an honest broker on a range of issues, where we bring our particular skills and experience to bear. As a wielder of what has been termed "soft power," Canada is working internationally to build coalitions of the willing on issues ranging from child labour to land mines. We are also combining our expertise in peacekeeping with new thinking on peacebuilding to respond to human security challenges that affect us all. I am thinking here of issues such as refugee flows, illegal drugs and the spread of disease.

There is a great deal of scope for a "value-added" nation and an "indispensable" nation to work together in pursuit of our many shared goals. I would like to draw a few examples today from two regions for which California serves in some sense as the American gateway: Asia Pacific, and the rest of our hemisphere.

Canada and the United States in the Asia Pacific Region

Flows of goods, of investment funds, of people and of ideas across the Pacific have increased dramatically in the last two decades. In response, the nations on either side of that ocean are working to shape both an institutional infrastructure and an identity as a true region. Canada and the United States face some similar challenges as we take part in that process: how to build institutions suited to such a diverse region, how to deal with differences on issues such as human rights, and what form our relations with emerging powers, particularly with China, should take.

For Canada, these are not simply arcane questions for foreign policy debate; they touch our lives directly. After the United States, five of our next 10 trade partners are in Asia: Japan, the PRC [People's Republic of China], the Republic of Korea, Hong Kong and Taiwan. Over 2 million Canadians are of Asian origin. More Hong Kongers have chosen to immigrate to Canada than to any other country in recent years. In 1994 alone, 43 000 Hong Kongers came to Canada. Chinese is now the third most common language in Canada, after English and French.

In terms of building regional institutions, Canada is proud to host the Asia-Pacific Economic Cooperation (APEC) forum this year. In its early years, some observers doubted APEC's

effectiveness. But, as with Canada, APEC's diversity has proven to be one of its strengths. Operating on the basis of mutual trust and confidence, APEC has moved further and faster in just a few years than many would have predicted. And not just in the area of trade facilitation and liberalization – APEC has paired progress on this front with work on economic and technical co-operation. Our ultimate aim is sustainable growth, which means growth that is equitable and widely shared.

On human rights issues, both our countries are grappling with the same problems and working toward similar goals. In Burma, for example, how do we exert pressure on a regime that has one of the worst human rights records in the world? And, at the same time, how can we most effectively cut off the flow of illegal drugs that starts in Burma and ends up with another dead child on the streets of Vancouver or Los Angeles?

Other nations, such as Indonesia, continue to have a poor human rights record. In these cases, the challenge is to find ways to support and reinforce positive change, if and when it occurs. Co-operation between the Canadian and the Indonesian national human rights commissions, for example, has helped to strengthen the Indonesian commission to the point where it has openly criticized government actions against the democratic opposition.

Perhaps the greatest challenge for us in Asia, and one that I discussed at some length with Secretary Albright, lies in our relations with China and Hong Kong. Over the past 27 years, Canada has built an astonishing range of linkages with China. Our policy is to move forward on a wide range of fronts, from regional peace and stability to human rights and the rule of law; from environmental protection and sustainable development to an expanding economic relationship, including Chinese entry into the WTO [World Trade Organization]. Our relationship with China cannot, and must not, be defined as a stand-off between trade and human rights.

Our approach may not always be the stuff of headlines. But it is the most effective way open to Canada to gradually increase the political space available for civil society, and for respect of human rights.

Canada and the United States in the Hemisphere

The complementarity of American and Canadian approaches – of the "indispensable" and the "value-added" nations – is particularly clear within our own hemisphere. Admittedly, this is a relatively new focus for Canada. The United States has long looked south. But for Canada, our southern horizon until recently ended somewhere north of Arizona, or in Disneyland if you were a tourist. We were of the Western hemisphere before; now we are truly in it. We have made a firm and irreversible decision that

just as Canada's future is intertwined with yours, so is it also inextricably linked with that of the hemisphere as whole.

For Canada, our first major step towards integrating ourselves into the hemispheric economy was the 1994 expansion of the Canada-U.S. Free Trade Agreement to include Mexico. Last year, we concluded a Free Trade Agreement with Chile, which we hope will ease Chile's accession to the NAFTA [North American Free Trade Agreement] when that time arrives.

These steps spur us on toward the big prize, a Free Trade Agreement of the Americas — the hemispheric trade and investment regime proposed at the 1994 Miami Summit of the Americas. We have begun a dialogue with the MERCOSUR countries on how we should work towards this goal. American enactment of fast-track legislation will also send an important message of support, as we start work on making free trade throughout the Americas a reality.

Canada in the Hemisphere: Adding Value

Hemispheric trade is one of the areas where Canada adds value by seizing opportunities to build a system of economic standards, rules and practices. This is based on our strong belief that to develop international or multilateral forums, you need a set of basic rules to play by, rules that are accepted and honoured by everyone.

We are also adding value by supporting the processes of democratization, political maturation and peacebuilding that are taking place across the Americas. We have focussed our efforts, and particularly our human resources, to provide leadership in key areas. Canadian peacekeepers and peacebuilders, both military and civilian, are doing vital work in Haiti and in Guatemala, for example.

In Haiti, we are not simply maintaining security, but investing in peacebuilding. Canadians are helping to train the Haitian police force, to build the justice system, to improve government administration, and to help various civil organizations to start building a democratic society from the ground up. Now that the recent peace accords are starting to be implemented in Guatemala, we are working there too. Canadian observers are helping to build peace by assisting in the demobilization of the guerilla forces.

Canada and Cuba

In Cuba, too, we see the potential to add value in the context of the real, if incremental, change that is taking place there. Since it emerged from the Soviet embrace, the Cuban government has struggled to reform its economy over the past few years. The NGOs [non-governmental organizations] I met with in Cuba told me

that, while they still face severe restrictions, their room for manoeuvre is somewhat greater than before. One of our objectives is to help Cuba make a transition, without collapsing into violence that would be disruptive to the entire hemisphere.

In many ways, our approach is similar to the one we have taken in China: to work from within to develop indigenous capacity for change, and to widen the political space for a fledgling civil society that has opened up as a side effect of economic reform. We are supporting those within Cuban society who are working to change not just the economy, but also the functioning of governance and politics. This involves a range of projects, both with the government and with grassroots organizations.

Canadian officials met recently with Cuban officials for the first of a series of detailed exchanges on human rights. The Speaker of the Canadian Parliament and the President of the Cuban National Assembly last week signed an agreement on parliamentary exchanges. Under this agreement, members of the Cuban National Assembly will come to Canada for two seminars on how Canadian government functions, for the purpose of strengthening Cuban parliamentary procedures. The seminars will include discussion of the role of Parliamentarians as servants of the people, and the workings of the Supreme Court. Perhaps most important are our projects with grassroots organizations – for it is by building from the bottom up, not the top down, that democracy will emerge.

I am not naïve – I do not expect an overnight conversion to democracy. But I do believe that there is room now to work incrementally for positive change in Cuba. And I believe that Canada is well placed to do this work. Our basic principle in doing so is that isolationism simply does not work. It leads to misunderstandings and mistakes, and it should be a policy of last resort only. The "Big Chill" that defines U.S.-Cuba relations runs counter to the new paradigm that is emerging for the hemisphere as a whole.

Canada's Views on the Helms-Burton Act

In this context, I should perhaps say a word about Canada's views on the Helms-Burton Act, although for us it is not a Cuba issue, but one of international law.

Clearly, one of our objections to the Act is that we do not like, any more than you would, to be told by another country how to run our own foreign policy. Compensation for seized U.S. property is an issue for negotiation between the United States and Cuba. There is no reason to sideswipe your friends in this dispute.

But we have a more fundamental objection to the Act, and one that should concern you too. The Helms-Burton Act, by its unacceptable extraterritoriality, undermines the most basic premises of

international law, upon which all of our international obligations and agreements are based.

The United States has taken the lead in the establishment of the major postwar international economic institutions. The current international trade regime owes its existence in large part to the very strong and respected influence exerted by the United States. When the world's most powerful nation decides to change rules governing trade unilaterally and arbitrarily, it brings this entire regime into question. If the United States can claim exemptions to rules that it does not like, for example, by citing national security before the WTO panel on Helms-Burton, then why cannot other countries?

The danger is that suddenly, everyone will be claiming exemptions to rules that do not suit them, and that the carefully constructed international framework that has brought about such an enormous expansion in trade and investment, will be undermined. Seen in this light, Helms-Burton is a dangerous virus in the international trade system.

Conclusion

Canada and the United States have what many consider the strongest – certainly the most intensive – bilateral relationship in the world. And when we look at the world around us, we do so from similar perspectives, and with similar goals. But that does not mean that we see or do everything alike. We follow our own paths, which allow us to play to our own strengths and our own unique role in the world.

Perhaps the best metaphor for our relationship is the Johnson-Bailey rivalry. They are being pitted directly against one another in a race to try to decide which one is the fastest man in the world. But the fact is that they are both fastest – each one over his own distance, in his own specialization. Canada and the United States are the same. We each run on our own track, in a race that is similar, but not the same; but when we team up together, think of what a relay team we make.

Thank you.

97/15
Statement

97/15

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NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY,
MINISTER OF FOREIGN AFFAIRS,
TO THE OECD SYMPOSIUM
MILITARY EXPENDITURES IN DEVELOPING COUNTRIES:
SECURITY AND DEVELOPMENT

OTTAWA, Ontario
March 18, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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I am very pleased to welcome you to Ottawa for this symposium, jointly sponsored by the OECD [Organization for Economic Co-operation and Development] Development Assistance Committee [DAC] and the Government of Canada. This meeting will, I hope, build on the contributions of four previous symposia – in Tokyo, Paris, Bonn and The Hague – in laying the basis for broader understanding of this extremely important issue.

I am particularly pleased that we are bringing together today not only DAC member countries, but also representatives of developing countries and non-governmental organizations. Only by involving those most directly affected by the burden of unnecessary military expenditures – those who see their direct effects on people's lives – will we be able to identify truly effective solutions to this problem.

In the post-Cold War era, the world community has recognized that security can no longer be defined solely in military terms. Human security also depends on respect for human rights, good governance, adequate resources for social and economic investments, and environmentally sustainable development. To establish conditions conducive to stability and peace, governments must promote sustainable economic development, based on national consensus. In some countries, this is only possible with a reallocation of resources from the military to more productive developmental uses.

Global military expenditures have fallen over the past few years. Despite this, there is still good reason for us to be concerned. It is notoriously difficult to collect reliable, comparable numbers on military spending, quite apart from the difficult question of determining the level of spending required to meet legitimate security and defence requirements. But we can get some sense of the scale of the problem from the partial figures that are available. In the early 1990s, according to the World Bank, at least 30 lower and lower-middle income countries were spending more than 5 per cent of their GNP [gross national product] on defence. Approximately one third of these countries were spending more in military expenditures than they were on health and education together. And not all of these high spenders were small or war-torn nations. Some of the largest developing countries devote high proportions of GNP to military spending.

Where this occurs, particularly in poorer developing countries, the share of scarce public resources available for meeting basic human needs is reduced. At the same time, the effectiveness of development assistance may be reduced, so that the poor suffer twice over.

At the supply end of the equation, in 1995 the five largest exporters – who account for 90 per cent of all exports – earned some US\$28 billion from weapons sales. Many of these sales were, of course, to developed countries. But even if military spending by the poorest countries is small in absolute terms, it equals or

surpasses inward flows of development assistance in a significant number of cases.

Canada has been concerned about the relationship between military spending and development for several years now. We have held discussions both with our development partners and with other donors, bilaterally and multilaterally, to seek a better understanding of all dimensions of this complex issue. Following these discussions, I tabled in Parliament last year a paper outlining Canada's stance.

Our aim is to take an integrated approach that addresses the development, security and military export or supply dimensions of this issue. We believe that reductions in excessive military spending are most likely in the context of a stable and secure national and regional environment. This requires the presence of strong democratic institutions, vigorous public debate, and transparency in government accounts.

Canada is not alone in pursuing the question of military expenditures in developing countries. Work is under way, under the auspices of the OECD, on four regional case studies. Preliminary findings highlight some important themes that are relevant to your discussions within this symposium.

The first of these themes is the importance of good governance and strengthened democratic institutions as prerequisites to reducing military spending. Clearly, it is crucial to build strong institutions that will ensure civilian control of the military. Developing a professional military that understands its role in a democratic society is also of great importance. So, too, is developing civilian capacity and expertise on defence policy. Greater transparency of government budgets and accounts furthers all these objectives by providing more reliable data on military expenditures.

Canada is already engaged, along with other donors, in projects that work toward these goals. In Haiti, for example, Canada, the United States and France are working with the Haitian National Police. Our aim is to develop the capacity of the police force to the point where it can take over security tasks that properly fall to a civilian police force, but which in Haiti have been performed by the military.

A second major theme is the importance of strengthening the capacity of regional and sub-regional organizations to promote security dialogues and confidence-building measures.

Canada believes that enhancing regional security is a fundamental part of the equation in reducing military expenditures. In line with this belief, we have co-sponsored seminars on peacekeeping with Argentina for Rio Group members and with Malaysia and Brunei

in the context of the ASEAN [Association of Southeast Asian Nations] Regional Forum. These not only provided an opportunity to discuss new roles for the military as international peacekeepers, but also for military and civilian officials to exchange views on their respective roles.

Regional initiatives have also proven their effectiveness in our efforts to achieve a ban on anti-personnel land mines, and in micro-disarmament. Concrete work by the Organization of African Unity, the South African Development Community, the Organization of American States and the Central American and Caribbean Communities on regional mine-free zones has brought us much closer to achieving a global ban on land mines by the end of this year — an objective that I have established as one of Canada's top foreign policy priorities.

On micro-disarmament, the UN Expert Panel on Small Arms has undertaken important work reviewing empirical research and concrete experience. Their work has made it clear that tackling the massive security and social problems associated with the proliferation of small arms will require highly integrated regional approaches.

A third key, related theme is that of transparency, at both the national and the international levels. In this context, the UN Conventional Arms Register and the UN Standardized Reports on National Military Expenditures are important instruments for promoting provision of transparent, comparable national statistics. These instruments also encourage national transparency with respect to military expenditures, and thus help to develop the capacity of national democratic institutions.

Co-operation around these three themes is key in reducing demand for military expenditures. The other half of the equation is responsible supply-side behaviour. Principled exporting countries must confront the policy challenge of weighing legitimate trade interests against the merits of imposing controls on military exports.

Canada's controls are already among the toughest in the world, and our exports to lower-income developing countries are very low. We carry out careful analyses of the security context, the human rights situation, and gun control laws and practices of recipient countries. Last year I indicated my desire to follow an even stricter interpretation of human rights criteria. My aim in this is to further minimize the risk that Canadian military equipment will be used to destabilize countries, to attack civilians, or to fuel illicit trade in arms or local violence.

The relationship between military spending, security and sustainable development is a complex one. I am under no illusion that there are simple solutions to the questions you will be

discussing over the next two days. The first challenge is to broaden international consensus on the importance of this issue. Ultimately, it is to promote effective and coherent ways to encourage the reduction of military expenditures in developing countries, where appropriate, while providing for legitimate security concerns.

We are all concerned at indications of a growing gap between rich and poor nations. Excessive, unproductive military expenditures will only exacerbate the trend toward inequity in incomes. However difficult the issues involved, we must tackle them if we are to achieve genuinely sustainable, shared development at a global level. I look forward to hearing the concrete, practical proposals that will, I am sure, emerge from your discussions over the next two days.

Thank you.

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Statement

97/16

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE CHRISTINE STEWART
SECRETARY OF STATE (LATIN AMERICA AND AFRICA)
BEFORE THE UNITED NATIONS COMMISSION
ON HUMAN RIGHTS

GENEVA, Switzerland
March 19, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Mr. Chairman:

I was honoured to address this Commission in 1995, and following the visit of Foreign Affairs Minister Lloyd Axworthy last year, I am pleased to be with you again today. This regular ministerial attendance at these meetings reflects the importance that human rights play in Canada's foreign policy – as a threshold issue in our relations with other states. And it reflects the central role of the Commission in advancing the cause of human rights in all parts of the world.

Over the past 50 years, the Commission on Human Rights has presided over a transformation of the common values of humanity – freedom and democracy, sharing and community – into internationally recognized norms – universal standards of civil, political, economic, social and cultural rights.

Today, our attention increasingly focusses, in this Commission and elsewhere, on the task of implementing those norms. In this, there can be no question of choosing certain rights over others. Human rights begin with the day's first meal, but without the freedom to speak, how can anyone say he is hungry?

The challenge of implementation is complex and must be met by each society in its own way. But this does not relieve the international community of its responsibility: under the Charter of the United Nations, all of our governments are pledged, individually and collectively, to promote "human rights and fundamental freedoms for all."

So Canada considers it a matter of obligation: we must seek to address human rights concerns in a forthright and effective manner. And we must do so at every appropriate opportunity – and certainly before this Commission, which exists for no other purpose.

The preferred approach to this shared responsibility is one of dialogue and engagement.

This explains the particular effort that Canada and its independent Canadian Human Rights Commission have invested in working with other countries to assist in the development of national institutions for the protection of human rights. Independent national human rights agencies (like independent electoral commissions) or similar structures are one of the most effective means of safeguarding the constitutional and legal rights of individual citizens.

This Commission and the many mechanisms created by the UN to promote human rights offer a wide variety of opportunities for engagement. The High Commissioner has made an important contribution to helping Rwanda begin the reconstruction of its devastated judicial and human rights infrastructure. At this session, Canada will again work closely with Rwanda and others to

reinforce that effort. We hope that the Commission can also contribute to a co-ordinated international response to the situations in Burundi and Zaire — where the lives of innocent civilians must not be regarded merely as a necessary cost of military pursuits.

In another part of the world, Canada congratulates both the High Commissioner and the Government of Colombia on their progress in establishing a UN human rights office in Bogota. However, we wish to emphasize that further practical steps must be urgently implemented to meet the challenge of protecting human rights in a very difficult environment.

Mr. Chairman, the pursuit of dialogue and engagement in support of human rights must be sustained by this Commission in all circumstances — even in the face of refusal by some governments to respond in kind.

Frank, forthright discussion of specific situations and problems is not an alternative to dialogue. It is, rather, an essential element of the process — especially in cases where governments deny the existence of problems, or challenge the Commission's authority to consider them.

Therefore, Mr. Chairman, when the Commission takes up its debate on human rights situations in all parts of the world, Canada will participate actively. We will, in a frank, constructive manner, express our views on a range of situations in specific countries. Situations like that in Nigeria, whose government Canada has sought, with disappointing results, to engage in a serious dialogue on human rights and democracy through bilateral and multilateral channels.

And situations like that in China, with whom we have discussed human rights in a constructive bilateral dialogue on the basis of mutual respect. And we will urge all governments to engage in similarly constructive dialogues with this Commission.

And I hasten to add, Mr. Chairman, the Canadian delegation will, as in the past, be more than prepared to hear out and respond constructively to concerns that others, governments and NGOs [non-governmental organizations] alike, may wish to express about human right problems in Canada. For there is no country represented in this room that does not have human rights problems — and this Commission is the place to discuss them.

As I have said, the review of specific situations is a matter of obligation — obligation under our Charter, but above all obligation to victims of human rights violations wherever they may occur. We would do well in this connection to recall the eloquent words of Mrs. Olusegun Obasanjo in receiving the Indira Gandhi International Prize on behalf of her husband last

November: in the face of injustice to individuals anywhere, we must not become "quiet and seemingly acquiescent to realpolitik."

It is a matter of obligation to the countless individuals, many of them members of non-governmental and other organizations, who daily place their own rights on the line to defend those victims.

I want today to pay tribute, on behalf of Canada, to those who have in the past year made the ultimate sacrifice in this cause – including the human rights monitors recently murdered in Rwanda. Canada has lost two of its own in the past 12 months: Ms. Nancy Malloy, a nurse with the International Committee of the Red Cross in Chechnya, and Father Pinard, a Missionnaire d'Afrique in Rwanda. They will not be forgotten.

I want also to join those who have called for the early completion of the Declaration on Human Rights Defenders. In the 11 years since Canada and Norway tabled the first draft for this declaration, individuals and members of NGOs have played an increasingly important role, as an essential front-line force, in promoting and protecting human rights throughout the world. We were gravely disappointed at the limited progress at the most recent Working Group session. We strongly urge all parties – and above all the very few who have raised obstacles to the process – to give renewed attention and commitment to concluding the work on the Declaration in the coming year.

Mr. Chairman, Canada attaches similar priority to advancing the Commission's work on a comprehensive Declaration on the Rights of Indigenous Peoples. At the 1996 session of the Working Group, Canada sought to give momentum to the discussions in recognizing that indigenous peoples have a right to self-determination that respects the territorial integrity of democratic states. We encourage all parties to seek ways to co-operate so that important progress can be made in developing the Declaration at the next Working Group meeting.

On the scale of human injustice, there can be no greater cause for alarm than abuses suffered by children. The Canadian government has made the rights of children a priority in both domestic and foreign policy agenda. We take seriously our commitments under the UN Convention on the Rights of the Child, and we strongly support the work of this Commission on guidelines for two optional protocols to the Convention: one on the sale of children, child prostitution and child pornography; and the other on children in situations of armed conflict.

We are also following up on the Agenda for Action of the Stockholm World Congress Against Sexual Exploitation of Children. As Foreign Affairs Minister Axworthy said at that conference, it is hard to believe that on the eve of the 21st century, we are still trying to deal with what is essentially a form of slavery:

the sex trade involving children. Canada's efforts on this front have included a parliamentary bill that will make Canadians who engage in child sex tourism abroad liable to prosecution in Canada.

Last month, I attended the Amsterdam Child Labour Conference, where representatives of governments, international organizations such as the ILO [International Labour Organization] and concerned non-governmental organizations came together in a common cause to meet this challenge. Canada recognizes child labour as a human rights issue as well as a development issue – a challenge demanding a multi-disciplinary response from a broad alliance of national and international authorities, civil society and non-governmental organizations.

Mr. Chairman, as I said before this Commission two years ago: the Charter's promise of "human rights for all" will not be fulfilled until the rights and full equality of half the world's population are recognized and respected, in law and practice, in all countries.

This Commission has played an important role in advancing this cause, including through the creation in 1994 of the post of Special Rapporteur on Violence Against Women. The Special Rapporteur has now completed her first term. We believe her work has made an important contribution to the search for concrete solutions that can be applied at all levels of society. At this session of the Commission, the Canadian delegation is honoured to lead in seeking renewal of this important mandate for a further three years.

Mr. Chairman, I have mentioned but a few of the substantive areas in which Canada hopes to work with others during the current session of the Commission. However, our agenda will not be complete, and our efforts to advance the many vital causes before us will not reach their potential if inadequate attention is given to the basic health of the United Nations human rights system.

We are, in this regard, entering a period of great challenge and opportunity. On March 10, our proceedings were launched by the words of a new Secretary-General, pledging to be a champion of human rights in his own right. Canada has been most encouraged by the initial steps he has taken in reforming the Secretariat, identifying human rights as one of the core functions of the United Nations. The further reforms he is developing and the crucial personnel choices he must now make for the Human Rights Program present an opportunity to give operational reality to that vision, and to ensure that human rights will, as he declared last week, be fully integrated into the action of the organization in all domains – peace and security, development, and humanitarian affairs.

He will have Canada's full support in that effort. He can also count on our contribution in practical ways, including the human rights roster that Canada is developing to assist in creating a rapid reaction capacity for the UN and other international organizations.

Next year – the 50th Anniversary of the Universal Declaration of Human Rights and occasion for the five-year review of the Vienna Declaration and Program of Action – will provide a further critical opportunity to adapt to the human rights challenges of a new millennium. A crucial milestone, within our reach for 1998, would be the establishment of an effective and independent International Criminal Court. Canada will spare no effort in seeking to achieve that goal.

I would like to mention three other areas in which Canada sees scope for important progress.

First, new information technologies should be an important part of our strategy for the future promotion of human rights. The Internet can give human rights advocates increased access to information and an improved capacity to communicate. Information technologies can also be tools in human rights education, which will help to ensure the commitment of the next generation to human rights. Canada intends to play a leadership role in this area.

Second, Canada has for several years advocated efforts to make the work of this Commission and its many mechanisms, and of the human rights treaty bodies, better known and more accessible to the media and the general public. The many rapporteurs and working groups of the Commission, and the various committees do superb work with the resources available to them – but it is, frankly, among the best kept secrets of the United Nations.

One vehicle to help remedy this would be an annual report on the state of human rights worldwide, based on the findings of the UN's independent human rights mechanisms. As part of our commemoration of the 50th anniversary of the Universal Declaration of Human Rights, Canada will sponsor the development and publication of a prototype for such an annual report on human rights.

Finally, and in the same vein, Canada believes that the time is long past due for this Commission to mobilize the great interest shown in its work by political figures and other distinguished personalities from all parts of the world.

A high-level segment of the Commission, bringing leaders, ministers, and top representatives of civil society together at the same time would go a long way toward carrying the Commission's message beyond the basement of the Palais, and out

to the real world and to the people whose well-being we seek to advance. Canada thus strongly urges the holding of a high-level segment at the 54th session of the Commission on Human Rights.

To conclude, Mr. Chairman, the quest for human freedom and justice is a noble cause – a UN Charter obligation in its own right. But it is even more. It is, in Canada's view, an indispensable instrument in the pursuit of all of the basic purposes of the United Nation. We believe that the United Nations' human rights machinery can and must serve all of these goals: peace, justice and prosperity for all. And to that end, Mr. Chairman, we pledge our full co-operation to you and to all participants in this session of the Commission on Human Rights.

Thank you.

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Statement

97/17

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE ART EGGLETON
MINISTER FOR INTERNATIONAL TRADE
ON THE OCCASION OF
THE TABLING OF THE REPORT ON
INTERNATIONAL BUSINESS DEVELOPMENT

OTTAWA, Ontario
March 19, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Mr. Speaker,

I am pleased today to table this Report on International Business Development. This document, entitled *Achievements of the International Business Development Program*, responds to recommendations put forward in the November 1996 Auditor General's Report on Canada's Export Promotion Activities.

The Auditor General recommended that the Department of Foreign Affairs and International Trade and Industry Canada establish mechanisms to measure the effectiveness of our international business development activities.

As recommended, we are establishing a performance measurement framework to determine the effectiveness of existing government programs and services, and to help plan for the future.

The International Business Development Report I am tabling today will serve as an annual report card, updating Parliamentarians on the results of our international business development activities.

We must ensure that the services we provide achieve their intended objectives at the least possible cost.

Next year's report will be more detailed and will discuss the preliminary results of our performance measurement system, including:

- feedback from clients on the Trade Commissioner Service;
- a review of the impact of the Department of Foreign Affairs and International Trade's export, investment and technology development activities;
- baseline indicators that have been established to measure Canada's year-over-year success in international markets.

The Government's international business development activities work hand-in-hand with a rigorous bilateral and multilateral trade policy agenda and clearly established market access priorities to ensure that Canadian business has competitive access to world markets.

Mr. Speaker, we are improving the delivery of services because International Trade is an important part of this Government's Job Strategy. The more companies we introduce to trade – the more jobs for Canada. To that end, we have set a tangible goal of doubling the number of active exporters by the year 2000.

With exports accounting for nearly 40 per cent of our GDP [gross domestic product], international trade has become the engine that drives the Canadian economy. For every \$1 billion in increased trade, we sustain 11 000 jobs in Canada – jobs in every community in Canada.

Promoting Canada's products and services is only one part of our job. We also must sell Canada itself – as an outstanding place to do business.

Foreign direct investment [FDI] in Canada has a dramatic impact on our job creation. Today, three Canadian jobs out of ten (both direct and indirect), more than 50 per cent of total exports, and 75 per cent of manufacturing exports are directly attributable to Foreign Direct Investment in Canada. Studies suggest that attracting \$1 billion of Foreign Direct Investment into Canada results in up to 45 000 jobs over a five-year period.

Mr. Speaker, Canada is meeting the challenge of globalization. Look at our track record.

I cannot talk about international business development without referring to the success of Team Canada trade missions, which have helped bring home 550 business deals worth more than \$22.1 billion for Canadian companies.

Lending further credence to the fact that Canadians are succeeding internationally are the 1996 trade statistics. Canada's trade surplus reached the record level of \$34 billion, a 20 per cent increase over 1995.

This success has been built on the strength of the Team Canada partnership. We have forged solid alliances with our provincial, municipal and private sector colleagues. By working together in Team Canada, we have been able to deliver the programs and services that Canadian companies need to compete internationally.

Canada's International Business Strategy [CIBS] is the focal point of the federal government's commitment to increasing exports. It has been developed through National Sector Teams and presents winning strategies in 27 key industry sectors.

Mr. Speaker, it is a pleasure for me to announce that the 1997-98 CIBS is now available to the Canadian business community.

International business development programs and initiatives help Canadian businesses become export-ready by providing access to key financial services, market information and export programs.

The federal government and its Team Canada partners continue to forge ahead in their International Business Development endeavours.

Mr. Speaker, working together, we are confident that Canada will continue to prosper as we expand and diversify our markets abroad and as we attract foreign investment and technology flows into Canada.

Thank you.

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Statement

97/18

CHECK AGAINST DELIVERY

FOURTH MEETING OF THE
NORTH AMERICAN FREE TRADE AGREEMENT
COMMISSION

JOINT STATEMENT OF THE MINISTERS

WASHINGTON, D.C.
March 20, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Following the March 20 North American Free Trade Agreement Commission meeting, International Trade Minister Art Eggleton is pleased to release the joint statement of the governments of Canada, the United States and Mexico, which outlines the overall results.

JOINT STATEMENT OF THE MINISTERS

Today we reaffirmed our strong commitment to the NAFTA and its value in promoting trade, investment, economic growth and jobs in all of our countries. In this regard, we note that since the implementation of the NAFTA, our trade with each other has increased by approximately 45 percent, with trade growing from significantly less than \$300 billion in 1993 to well over \$400 billion in 1996. It was acknowledged that the growth in trade is a clear indication of the success of the agreement and the benefits it brings to the companies and workers involved in North American free trade. We look forward to more trade, investment, economic growth and jobs as the NAFTA opens new opportunities. The NAFTA has also helped North American firms to become more competitive in the increasingly competitive global economy. We also emphasized the importance of the continued implementation of the NAFTA. We reiterated our view that Commission meetings serve as an invaluable method to ensure that NAFTA implementation is proceeding in an appropriate manner.

We concluded the first round of tariff acceleration talks, and agreed to implement it by July 1, 1997. With this implementation, we will be eliminating tariffs more quickly than is called for under the NAFTA on a specified list of several dozen items. We noted the substantial interest of the private sector of all three countries to conduct a more comprehensive second tariff acceleration round. As a result, we instructed our officials to initiate the second round of tariff acceleration by May 1, and to conclude negotiations by December 15, 1997.

We adopted a recommendation from the trilateral Advisory Committee on Private Commercial Disputes that supports the utilization of alternative dispute resolution. This Committee was established pursuant to NAFTA Article 2022, and comprises both private sector members and government officials of each party, whose main task is to evaluate and promote the use of alternative means of dispute resolution, for private commercial disputes. In accordance with Article 513, we agreed to implement certain technical modifications to the NAFTA rules of origin (Annex 401) to facilitate trade in response to a recommendation from the trilateral Working Group on Rules of Origin. These rectifications do not constitute substantive changes to the NAFTA, and have the sole purpose of establishing consistency between Annex 401 of the NAFTA and the Parties' tariff laws.

We approved rules for remuneration of expenses to panelists regarding NAFTA Chapter 19 and 20 dispute settlement cases. We agreed that our officials will meet in April to discuss the steps necessary to establish by September 1997 the NAFTA Co-ordinating Secretariat to

assist the NAFTA Commission on technical matters. We also received and adopted reports regarding the work of the over 20 trilateral Committees and Working Groups addressing a broad range of NAFTA implementation issues. Noting that their work advances the objectives of the NAFTA, we directed them to continue their work in a manner that is forward looking as established in the NAFTA and its objectives. Ministers authorized release of the report of the NAFTA Trade Remedies Working Groups, and noted that their work has been completed, in accordance with their mandate. The governments will continue to consult, as appropriate under the NAFTA, on issues related to trade remedies, with the objective of promoting fair trade and reducing the possibility of disputes, such as common problems posed by steel imports into the NAFTA countries.

We also discussed certain aspects of telecommunications standards setting (in Mexico), and agreed that this issue should be resolved promptly. We discussed a range of cross-border transportation issues, and reiterated our interest in resolving outstanding matters while recognizing that our transportation officials are specifically addressing that agenda.

We noted the trade facilitating value of trilateral mutual recognition agreements in professional services, and discussed the status of work by professional associations, including engineers, lawyers and architects. We discussed the implementation of the temporary entry provisions of the NAFTA and matters related to the government procurement provisions of the NAFTA. We reviewed sanitary and phytosanitary issues, particularly involving the U.S. and Mexico, and directed our officials to work with our Agriculture Ministries to resolve within the NAFTA outstanding issues promptly.

We discussed the value of effective co-operation with our respective Environment and Labour Ministers, and have directed our officials to pursue further co-operation with their Environment and Labour counterparts. We welcomed the progress to date in the hemisphere and at the sub-regional level to liberalize trade. In the context of the Free Trade Area of the Americas (FTAA), we reiterated the importance of meeting the commitments set by the 1994 Summit of the Americas and subsequent hemispheric Trade Ministerial meetings. We discussed preparations for the FTAA Trade Ministerial meeting scheduled for May 1997 in Belo Horizonte, Brazil, recognizing its importance in determining how and when the FTAA negotiations should be launched.

We agreed that the next NAFTA Commission meeting at the Ministerial level will be held in Mexico in the first quarter of 1998.

Statement

97/19

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NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY,
MINISTER OF FOREIGN AFFAIRS,
TO THE CENTRE FOR
PEACE AND CONFLICT STUDIES
AT THE UNIVERSITY OF TORONTO

"CANADA AND ASIA PACIFIC
IN A CHANGING WORLD"

TORONTO, Ontario
March 24, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Introduction

I would like to thank the Peace and Conflict Studies Centre for providing this opportunity to discuss with you how, in a changing global context, I see the evolution of Canada's relations with the Asia Pacific region. My aim is to outline for you today some of the new directions in which I see these relations expanding. And to highlight the major challenges that we face, both in 1997 – a year that will see the transition in Hong Kong and a series of Asia-related events in Canada – and beyond.

Over the last decade or so, the world has experienced a profound geopolitical shift. The tectonic plates of international relations have realigned themselves, and in so doing, have unleashed huge forces. A new landscape is beginning to appear, but the aftershocks of these movements are still going on. New countries are taking shape, and people are making their voices heard in the world in a way that they could not before.

A major element of this tectonic realignment is what has been referred to as the "rise of Asia." This term usually refers above all to the economic growth experienced by many Asian nations, which is indeed spectacular. But there has been significant change in Asian political and diplomatic structures as well, changes that have profound implications for Canada's foreign policy.

These are not simply academic questions for foreign policy experts to debate. Growing integration through trade, investment, immigration and other flows means that developments in Asia touch our lives directly.

In 1983, for the first time, more Canadian trade crossed the Pacific than the Atlantic. Now, five of our top 10 trade partners, after the United States, are in Asia (Japan, the PRC [People's Republic of China], the Republic of Korea, Hong Kong and Taiwan). And the Team Canada visits, led by the Prime Minister, to China in 1995 and to South and Southeast Asia in 1996 and 1997, have given an additional powerful boost to our trade and investment ties.

Even before transpacific trade topped transatlantic trade, more immigrants arrived in Canada from Asia than from Europe for the first time in 1979. Today, over 2 million Canadians are of Asian origin. More Hong Kongers have chosen to immigrate to Canada than to any other country in recent years. And Chinese is the third most common language in Canada, after English and French. Through business connections, family ties, cultural and educational exchanges and bilateral and multilateral links with governments, Canada interacts with its Asian partners in more and more ways.

Canada's Ties to Asia: Past and Future

And these are just the most obvious things that tie us to Asia. Our links to Asia are both much deeper, if you look at the past, and much wider, if you look at the present and to the future.

Canada has strong links to Asia dating back a century or more, through immigration and through Canadians who lived and worked in Asia. Many Canadian universities, colleges, churches and other non-governmental bodies were active in Asia in the last century. The so-called "mish kids," children of Canadian missionaries brought up in China, for example, gave us an invaluable pool of knowledge and experience of China. My own department has benefited greatly from their skills.

So an awareness of Asia in Canada is not new. At the same time, though, the profound changes under way in Asia mean that we need to update both our knowledge and our approach. We have already started to expand our ties and our co-operation with Asian partners in a range of non-traditional areas:

- on political issues, including governance and human rights;
- on regional and global security issues;
- on building a framework of regional institutions; and
- on broader questions of "human security."

New Forms of Co-operation

Academic institutions, NGOs [non-governmental organizations] and other groups, as well as government, are developing innovative and exciting projects in these newer areas. I would like to outline just a few of these to you today, projects that are sometimes overlooked in the excitement over economic and trade figures.

In the area of human rights and governance, the Canadian Human Rights Commission is helping to build the capacity of counterpart organizations in India and Indonesia. In China, Canada funds a number of low-key, effective programs and exchanges, from legal training to implementing laws on women's rights.

On security issues, we are sharing our expertise in peacekeeping with Asian nations through the ASEAN Regional Forum, and through direct bilateral co-operation. With Canadian advice and support, Japanese "blue berets" are serving for the first time ever, working alongside Canadian peacekeepers on the Golan Heights.

Canadian academics have also been active in seeking solutions to regional security problems. One example you may be aware of is the second, very successful, meeting of the North Pacific Working Group of the Council for Security Co-operation in Asia Pacific, hosted this January by the University of Toronto-York University

Joint Centre for Asia Pacific Studies. As the most inclusive "Track II" forum for discussion of Northeast Asia's difficult security problems, these meetings are extremely important.

One of the newest areas of focus in our co-operation with Asian partners is on "human security" issues, an area of increasing concern in an era of globalization and of conflicts spurred by internal collapse. This work deals with problems ranging from environmental degradation to illegal drugs, and from child labour to a global ban on land mines – issues that I know are of particular interest to some of you in your research.

In China, for example, we are working with local government and with the China National Petroleum Corporation on a regional strategy for developing petroleum resources in the Tarim Basin in a sustainable manner. A particular focus in this fragile desert region will be optimum allocation and use of water resources.

Last year in Thailand, I visited a Canadian project in the Golden Triangle that funds crop substitution and rehabilitation of people whose income once came from the heroin trade – a trade that supplies much of the heroin that finds its way onto the streets of Canadian cities. At my request, the whole issue of the drug trade has been put on the agenda of the next ASEAN Post-Ministerial Conference.

Some of the children participating in the crop substitution program are the offspring of prostitutes, or have worked as prostitutes themselves. By the simple expedient of providing them with assistance to grow their own food, these children have a chance to start new lives. Canada has also established a \$500 000 Child Development Fund in India to help combat exploitative child labour, which I launched during my visit there this year.

And in Cambodia, Canadian experts have been training local de-miners for the past four years, to help that country overcome the humanitarian crisis that it is experiencing because of past indiscriminate use of anti-personnel land mines. Canada is also working with Japan and other partners to bring about a global ban on land mines by the end of this year. In this way, we will move from cleaning up the effects of existing crises, toward preventing such crises before they happen.

Challenges for Canada

These projects are part of a concerted and ongoing effort to broaden Canada's ties to Asia, to ensure that they respond to the rapidly changing global environment and to the full range of Canadian interests and values.

This effort is not always easy. We face major challenges in working with partners who have values and ways of doing things

that are new to us, and that in some instances, are very different from ours. I would stress that this is not a question of "good" versus "bad" values — the challenge is not to transform one another, but rather to develop space for co-operation and understanding. And, where necessary, to agree to disagree.

You may be aware of the growing popularity of the "Clash of Civilizations" theory of international relations. This theory posits that the differences between Asian and Euro-Atlantic cultures are so extreme and fundamental as to be irreconcilable. Increased exchanges and expanded trade will produce not only disputes but, inevitably, confrontation and even armed conflict.

I am not persuaded by this theory. The very premise upon which Canada is built as a nation is that cultural difference need not mean discord; on the contrary, it enriches us. And, while it is clear that Asian nations are not inevitably evolving toward a Western model of government, the past two decades have seen significant political evolution in many Asian countries, and extensive democratization in some.

In this context, Canada has a distinctive role to play in Asia as a middle power. Just over a week ago, I was speaking to an American audience about Canada's role as a global nation. The United States may be, as President Clinton put, it the "indispensable nation," but I like to think of Canada as the "value-added nation." Canada has the capacity to act as a respected honest broker on a range of issues, where we bring our particular skills and experience to bear.

China and Hong Kong

This year, 1997, certainly provides some major opportunities for Canada to exercise this special role. Inevitably, as the transition moves closer, Hong Kong will be the focus of particularly intense scrutiny.

The transition is important to Canada for many reasons. Canada has significant business interests in and through Hong Kong. More important, we have long standing and intense people-to-people linkages, with over 100 000 Canadians resident in the territory, and some half a million people of Hong Kong origin living in Canada. Our national fabric has been enriched and benefits enormously from this vital link with Hong Kong's energy and dynamism.

Clearly, Canada has a direct and special interest in a smooth transition under the formula of "one country, two systems," and in the continuing prosperity and well-being of the Hong Kong people. We must maintain the integrity of immigration flows to Canada; ensure the continued well-being of Canadians in Hong

Kong; and do all possible to maintain Hong Kong as a vital business centre and a gateway to regional markets.

We are already working to do so. Last week, the Minister of Citizenship and Immigration and I announced that Canada will accept the new, post-transition Hong Kong passport without any visa requirement.

Today, I am pleased to announce the launch of a special information pamphlet that we have developed to assist Canadians in dealing with the complex set of regulations governing their status should they travel to or reside in Hong Kong. My colleague Raymond Chan, the Secretary of State for Asia Pacific, is in Vancouver today to launch the pamphlet there.

Our aim is to provide a comprehensive, clear guide, based on the information currently available, to the passport, residency and consular questions that concern Canadians visiting or resident in Hong Kong. We particularly want to make people aware that the PRC does not recognize dual nationality. Canadians with more than one passport will have to choose which passport they want to travel on when entering Hong Kong after July 1, 1997. We recommend that they use their Canadian passport, so that we will be able to provide them with consular assistance should they require it.

As we move through the transition, Canada will be giving all possible support for continuity in Hong Kong's current social and economic structures and a large degree of autonomy in its self-governance. I am watching the transition process closely, to ensure that the substance and the spirit of the transition framework set out in the Sino-British joint Declaration and the Basic Law are followed in practice. And I will be discussing Canada's special interests in Hong Kong with Chinese leaders when I visit Beijing next month.

Hong Kong will continue to be of keen interest to Canada long after the fever of public attention brought on by the transition subsides. But even more important as a long-term foreign policy challenge will be our relationship with China. The emergence of China as a world force and mega-economy will increasingly shape world markets, regional security structures and the frameworks of international debate and consensus-building as we move into the next century. We have to determine what sort of relationship we want with China, and how to adjust to the huge changes that are taking place there.

In 1970, Canada was one of the first Western countries to recognize China. We believed then, as we believe now, that a nation representing one fifth of humanity could not be isolated, but must be integrated into the international mainstream. Over the past 27 years, Canada has built an astonishing range of linkages with China on a wide range of fronts: from regional

peace and stability to human rights and the rule of law; from environmental protection and sustainable development to an expanding economic relationship; and from academic exchanges to helping China manage their human resources and their institutions in government and the state sector. Our relationship with China cannot, and must not, be defined as a stand-off between trade and human rights. We are determined to advance in both of these areas, indeed, in many areas.

Transparency and rule of law is a primary prerequisite for the continued growth of the Chinese economy and for the advancement of our trading interests. It is also fundamental to the development of a civil society in China, and to the well-being of the Chinese people. And so we press for greater openness and rules-based relationships as fervently in our approach to China at the UN Commission on Human Rights as we do in our negotiations for China's accession to the World Trade Organization.

We are determined to seek closer relations with China; to multiply the points of our interaction; to understand China's challenges; and to listen to and understand China's leaders, and those in China who support constructive change.

This does not mean that we approve of all that China is or does. We will continue to state our position clearly when we disagree. But we must acknowledge that our futures are inextricably linked. If we are to be truly part of the Asia Pacific region, we cannot simply turn our back on China. We are determined to move the relationship toward its full potential.

I will be visiting Beijing and Hong Kong at the beginning of next month. In preparation for that visit, we are refocussing our relationship with China to ensure that it continues to respond both to Canadian interests and to Canadian ideals. Our three principal objectives are as follows:

- to ensure that Canada shares in the benefits of Chinese economic growth, in terms of the jobs and growth generated by closer trade and investment ties;
- to support the emergence of civil society in China, leading toward greater political responsiveness, improved respect for basic human rights and greater predictability in Chinese international behaviour; and
- to maximize Chinese co-operation internationally on systemic and specific issues of Canadian national interest.

Linked to this third objective is our intention to work with China on issues of concern such as the South China Seas and the Taiwan Straits, and "human security" issues such as drugs and environmental problems, where Canada can offer advanced technological solutions.

These objectives require us to work not only with China, but with others in the region. China's increasing integration into the Asia Pacific region has important implications for others, be it Taiwan, Japan, or ASEAN. This is one reason that we are developing new forums in which to engage Japan, our number two trade partner and G-7 colleague, in discussions of regional issues.

The recently established non-governmental Canada-Japan Forum provides an independent setting for dialogue on regional as well as bilateral issues of concern. At the same time, the Canadian and Japanese governments have jointly commissioned a study by two experts on security matters. Their report, which is due out shortly, should provide much fruit for discussion on further co-operation.

1997: A Special Year

It is not just the transition in Hong Kong that makes 1997 a special year in Canada's relations with Asia Pacific. We are hosting the Asia-Pacific Economic Cooperation (APEC) forum this year, culminating in a meeting of APEC leaders in Vancouver in November. At the same time, to recognize the growing texture and complexity of our relations with Asia, the Canadian government has declared 1997 to be Canada's Year of Asia Pacific. A year-long, country-wide program of cultural, academic and business events with an Asia Pacific focus will heighten Canadians' awareness of the region.

As APEC hosts, we have an opportunity to exercise leadership in the ongoing process of regional institution-building, and around the themes that we have chosen to highlight in our host year. Through a series of official and non-governmental events, including trade shows, business seminars, and a youth forum, we will be focussing on small- and medium-sized enterprises [SMEs], on youth, and on various aspects of sustainable development.

As part of the focus on youth, we are sponsoring a national conference in Winnipeg of young Canadians and Asians, entitled "Asia Connects/Cherchons l'Asie." Some dozen other sites in Canada will be linked electronically to the Winnipeg conference, creating "virtual communities" of young people across the country. The aim is to involve young Canadians directly in developing our contacts with Asia Pacific, and in using information technology in innovative ways.

Another area of Canadian leadership and innovation is on issues of governance, human rights and civil society. We are putting strong emphasis on participation in and input to the APEC process from the grass roots. In addition to encouraging participation by NGOs in APEC working groups and meetings, we are supporting a series of parallel NGO and academic events across the country.

This September in Saskatoon, we will be sponsoring a symposium for NGO representatives, academics and policy-makers from the region. It will provide the basis for a report to leaders in November on the impact of rapid economic development and population growth on food and energy supplies and on the environment. My department will also be providing funding to the People's Forum, which will take place in parallel with the November APEC meetings.

The International Centre for Human Rights and Democratic Development, which chairs the NGO APEC Committee in Canada, will produce a report on APEC activities of concern or interest to civil society. A Women Leaders Network conference will feed the views of women in business into the meeting of APEC ministers responsible for SMEs. And we are sponsoring a series of academic round tables on issues ranging from human rights and democratic transition in Asia Pacific, to the debate on East/West values, to the future of Hong Kong.

These events, and the heightened awareness of Asia Pacific that we hope they will generate through 1997 and beyond, provide a unique opportunity to rethink and retool our approach to Asia as we move into the next century. The aim is to catalyze debate on how we interact with a region that will be an increasingly important factor in all our lives – a debate I urge you to join, particularly the students amongst you. To build and sustain new types of partnerships in the region, it will be particularly important to capture the imagination of young Canadians.

Conclusion

The lasting legacy of 1997 will, I hope, be seen in a continued and strengthened Canadian involvement in the Asia Pacific region. But also, and just as importantly, in the emergence of a true Pacific consciousness across Canada. In this way, Canada can contribute to bringing the Asia Pacific region together as a true regional community that is more than just an arbitrary slice of geography.

This process of building an Asia Pacific community across such a huge and diverse region will not always be easy. The challenges are major, and are not about to disappear. But Canada itself is living proof that different cultures not only do not inevitably clash, but can instead enrich one another. In this way, and in many others, we are well on our way to becoming a true Pacific nation.

Thank you.

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Statement

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CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY
MINISTER OF FOREIGN AFFAIRS

CANADA AND JAPAN:
PACIFIC PARTNERS IN AN ERA OF CHANGE

TOKYO, Japan
April 4, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Introduction

Let me begin with words of appreciation to Ambassador Campbell for hosting today's luncheon gathering and for providing me with an opportunity to share my thoughts with you on Canadian foreign policy and Japan. It is a particular pleasure for me to be here as Spring anticipates rejuvenation and, in Japan, the flowering of your famed cherry trees. No matter what our culture or our poetic sensibilities, I think that this season also reminds us of the need to renew our own thinking periodically; to question our assumptions and our views against changed realities; and to respond to challenges that we may not have anticipated, but we know we cannot avoid.

Over the last decade or so, the world has experienced a profound geo-political shift. The tectonic plates of international relations have re-aligned themselves. In doing so, they have unleashed huge forces. A new landscape is beginning to appear, but the aftershocks of these movements are still going on. New countries are taking shape, and peoples are making their voices heard in the world in a way they could not before.

A major element of this realignment is what has been called the "rise of Asia." This term usually refers above all to the economic growth experienced by many Asian nations, which is indeed spectacular. But there has been significant change in Asian political and diplomatic structures as well, changes that have profound implications for foreign policy. Growing integration through trade, investment, immigration and other channels means that developments in Asia directly affect other parts of the world. And, conversely, that what happens elsewhere has an increasingly strong effect on Asia.

From Canada's perspective, we passed a watershed in 1983 when for the first time we traded more across the Pacific than the Atlantic. Now, not only is Japan our number two trade partner, but five of our top ten trade partners after the United States are in Asia (Japan, the PRC [People's Republic of China], the Republic of Korea, Hong Kong and Taiwan). And the Team Canada visits, led by our prime minister, to China in 1995 and to South and Southeast Asia in 1996 and 1997, have given an additional powerful boost to our trade and investment ties in the region.

Even before transpacific trade topped transatlantic trade, more immigrants arrived in Canada from Asia than from Europe for the first time ever in 1979. Today, over two million Canadians are of Asian origin. More Hong Kongers have chosen to immigrate to Canada than to any other country in recent years. Through business connections, family ties, cultural and educational exchanges and bilateral and multilateral links with governments, Canada interacts with its Asian partners in more and more ways.

New Forms of Co-operation

An awareness of Asia in Canada is not a new phenomenon. At the same time, though, the profound changes underway in Asia mean that we need to update both our knowledge and our approach. We have already started to expand our ties and our co-operation with Asian partners in a range of non-traditional areas:

- on political issues, including governance and human rights;
- on building a framework of regional institutions;
- on regional and global security issues; and
- on broader questions of "human security."

Academic institutions, NGOs [non-governmental organizations] and other groups, as well as government, are developing innovative and exciting projects in these areas. It is on these newer issues that I would like to focus my remarks today, both in terms of Canada's ties to Asia and, specifically, of our relations with Japan.

In the area of human rights and governance, the Canadian Human Rights Commission is helping to build the capacity of counterpart organizations in India and Indonesia. In China, Canada funds a number of low-key, effective programs and exchanges, from legal training to implementing laws on women's rights.

Another example of Canadian concern and active diplomacy is Burma, where the human rights situation is, in a word, deplorable. Certainly the diplomatic tools available to effect positive change in that country are limited. It was with an awareness of these limitations that I proposed the establishment of a contact group involving, especially, Burma's ASEAN [Association of Southeast Asian Nations] neighbours. This group would work with the UN Secretary-General in a common effort to encourage Burmese compliance with UN resolutions. It is important that we continue to work together on this, particularly given the implications of the situation in Burma for regional stability.

You might ask why we take such an interest in these issues. After all, Indonesia is at some distance from Canada, and Burma is not likely to become a major trading partner. We undertake these initiatives because Canadians demand it of us. Our public — and I share these views — believes that serious and sustained abuse of the rights of men, women and children is something that diminishes all of us, no matter where we live. We believe, like Camus, that if you have saved even one child from pain, you have accomplished something worthwhile.

To put it in legalistic terms, we believe that all countries should live up to the obligations contained in the United Nations Charter. To put it in terms of our basic interests, we believe that the decline of the rule of law often begins with the abuse of human rights. In the interdependent age in which we find ourselves, the international system can only function where there is adherence to basic laws and standards. And to put it in practical terms, we believe that the focus and attention that foreign governments can bring to these issues can alleviate problems.

The Hostage Crisis in Lima

It is perhaps because of our engagement on these issues that countries often look to Canada for assistance when the rule of law is threatened. Our active presence on the Commission of Guarantors, which is facilitating negotiations between the Government of Peru and the Tupac Amaru terrorists responsible for the hostage taking at your ambassador's residence in Lima, is a good example.

It was because of Canada's reputation as an impartial consensus broker that President Fujimori and Prime Minister Hashimoto chose to meet in Toronto to discuss the hostage crisis. In Toronto, it was decided that Japan's special envoy to Lima during the crisis, Ambassador Terada, would serve on the Commission as Observer.

The management of the hostage crisis has brought both Canada and Japan into closer contact with our Latin American partners. And it is especially important that, as G-7 countries, we have consistently insisted that any resolution to the crisis respect our international commitments against terrorism.

Building Regional Institutions: 1997 and Beyond

The second new area of co-operation I referred to is building regional institutions. In 1997, Canada has a special opportunity to contribute to this process as Chair of the Asia Pacific Economic Co-operation [APEC] forum, culminating in a meeting of APEC leaders in Vancouver in November.

As APEC Chair, we have an opportunity to advance the trade liberalization agenda stemming from the Bogor Declaration and set out in detail in 1995 under Japan's stewardship in the Osaka Action Agenda. It is also a chance to focus thinking on certain themes that we have chosen to highlight. Through a series of official and non-governmental events, including trade shows, business seminars, and a youth forum, we will be focussing on small and medium-sized business, on youth, and on various aspects of sustainable development.

Prime Minister Hashimoto has proposed that APEC expand its agenda to include socio-economic discussions among political leaders. Canada welcomes this idea. Indeed, we believe APEC's evolution and maturation demands the involvement of broader society, including non-government players, in its policy agenda. We are putting a strong emphasis on participation in and input to the APEC process from the grassroots, and on issues of governance, during our year as host. In addition to encouraging participation by NGOs in APEC working groups and meetings, we are supporting a series of parallel NGO and academic events across Canada.

At the same time, to recognize the growing texture and complexity of our relations with Asia, we have designated 1997 as Canada's Year of Asia Pacific. A year-long, country-wide program of cultural, academic and business events with an Asia Pacific focus is already underway. Our aim is both to showcase Canada to its partners as a truly Pacific nation, and to raise public awareness on both sides of the Pacific of Canada's Asian dimensions.

I had an opportunity recently to witness for myself how these events are already adding depth to our relationships. The week before last I attended the opening at Mount Saint Vincent University in Halifax of an exhibition of children's art from Osaka. Prior to the opening, Professor Masako Iino of Tsuda College here in Tokyo spoke on the status of women and children in Japan. When Canadians and Japanese are gathering on the eastern coast of Canada to discuss women's rights, and when our children are sharing their art with one another across such great distances, this is a very positive sign of the emerging new dimensions of our relations.

International Peace and Security

The third new area of co-operation we are exploring is in the realm of security. With the huge changes that we have seen in the international security environment in the past decade, defining and re-examining our contribution to the security of the international commons has become a key question for Canada, Japan and the other non-superpowers. We believe that Canada has a special role to play on specific issues, be they traditional concerns of disarmament and "hard" security, or broader questions of "human security."

We are, for example, sharing our expertise in peacekeeping with Asian nations through the ASEAN Regional Forum and through direct bilateral co-operation, including with Japan. It will surprise no one in this room to be told that peacekeeping is a defining foreign policy tool for Canada. One of our former prime ministers, Lester Pearson, was in some sense the "inventor" of peacekeeping. We have continued to support and indeed shape the nature of peacekeeping by participating in an unprecedented

number of operations and by working within the UN on proposals to improve its rapid reaction capacity.

We have done so not as a form of projection of power, but as a means to contribute effectively to international peace and security. And we have been continually asked by the UN and warring parties to participate because of our reputation, based on our skills and our good name. Currently, we have over 2 000 peacekeepers deployed around the world.

I am particularly pleased to note that we have been able to share some of our expertise in this area with Japan, as you become more involved in peacekeeping efforts. Our co-operation began in Cambodia and reached new levels last year when Japanese "blue berets" began serving for the first time ever, working alongside Canadian peacekeepers on the Golan Heights.

Peacekeeping is not the only area of "traditional" security in which Canada is engaged with Asian partners, both at governmental and non-governmental levels. Canada has been active in the ASEAN Regional Forum. We believe it provides invaluable opportunities for both Canada and Japan to generate the kind of dialogue that will help the region adapt to a changing security environment. And Canadian academic institutions recently hosted the second meeting of the North Pacific Working Group of the Council for Security Co-operation in Asia Pacific. As the most inclusive "Track II" forum for discussion of Northeast Asia's difficult security problems, these meetings are extremely important.

Human Security

One of the newest areas of focus in our co-operation with Asian partners is on "human security" issues, an area of increasing concern in an era of globalization and of conflicts spurred by internal collapse. This work deals with problems ranging from environmental degradation to illegal drugs, and from child labour to a global ban on landmines.

Canada tackles these problems through its development assistance programs across Asia, which includes:

- environmental protection projects in China;
- a crop substitution and rehabilitation project for people whose income once came from the heroin trade in Thailand;
- a \$500 000 Child Development fund to help combat exploitative child labour in India.

We have also been working to put these issues on the agenda within regional organizations. At my request, for example, trade

in illegal drugs will be discussed at the next ASEAN Post-Ministerial Conference.

A priority issue for Canada that bridges traditional and human security concerns is the international campaign to ban anti-personnel landmines. In Cambodia, Canadian experts have been training local deminers for the past four years to help that country overcome the humanitarian crisis it is experiencing because of past indiscriminate use of landmines. But it is not enough to clean up the effects of existing crises; we must prevent such crises before they happen. That is why Canada is working with Japan and others towards a global ban.

A few years ago, there was little international attention to this question. Today, thanks primarily to the efforts of non-governmental bodies like the International Campaign to Ban Landmines and the Red Cross – both nominated for the Nobel Peace Prize – it is squarely on the international agenda. Thanks to their efforts, there is growing awareness that what was once seen as a disarmament issue has in fact the dimensions of a massive human tragedy: some 500 people, mostly civilians and often children, killed or maimed each week, week after week, year after year.

Governments from Asia to the Americas are becoming aware that the proliferation of landmines is serious, that it will not go away, and, most significantly, that it can be resolved if we want it to be resolved.

Last fall, Canada launched the "Ottawa process," a diplomatic "fast track" aimed at signing a comprehensive ban on landmines by December 1997. We are convinced that an international agreement banning the production, stockpiling, transfer and use of anti-personnel landmines is the only way we can begin to tackle the monumental task presented by the more than 100 million landmines dispersed around the world.

We are now well into the Ottawa process. In 1997, no fewer than 11 major international conferences, including one last month in Tokyo, will be held, addressing aspects of the landmine problem. More and more countries, including many of those most affected by mines, have affirmed their willingness to sign on to a complete ban by the end of 1997.

We know that we have yet to obtain international consensus on our approach, and that the road ahead of us is not easy. But it is precisely these circumstances that create the need for leadership. As Australia demonstrated on the CTBT [Comprehensive Test Ban Treaty], as Singapore demonstrated in the WTO [World Trade Organization], as Norway demonstrated on the Middle East Peace Process, middle powers can take responsibility for an issue

and see it through. Canada is proud to be playing such a role on landmines.

I believe that Canada has a distinctive role to play in Asia as a middle power. A few weeks ago I was speaking to a U.S. audience about Canada's role as a global nation. The United States may be, as President Clinton put it, the "indispensable nation," but I like to think of Canada as the "value-added nation."

Canada has the capacity to act as a respected honest broker on a range of issues, where we bring our particular skills and experience to bear. This is particularly the case in the area of human security. It is increasingly clear that preserving human security — human rights and fundamental freedoms, the rule of law, good governance, sustainable development and social equity — is as important to global peace as arms control and disarmament. Canada has been working to develop new tools of peacebuilding that will help to protect human security.

Canada and Japan

Part of being a middle power is accepting that one can not achieve one's objectives acting alone. Canada, because of our history, our immense space and sparse population, and our need to forge an identity separate from that of our U.S. neighbours, from its inception has had to develop the tools and the skills of interdependence.

Japan, which shares many of our values of multilateralism and commitment to the international system, is one of our best international partners. Few bilateral relations can be as free of major irritants as that which Canada and Japan enjoy with each other. We are not without market access or regulatory problems. We don't always see eye to eye on all issues. But for two countries that have such significantly different histories and national psychologies, we have a remarkably good working relationship.

From Canada's perspective, Japan is a key partner in Asia for a number of reasons. I have already referred to our trade ties; almost half of our total transpacific trade is with Japan. We are also keenly aware of Japan's role, through your defence agreement with the United States, as an anchor to regional stability.

In addition, if recent trends continue, Japan will be, de facto, the UN's largest contributor on a regular basis. The UN is a central vehicle for the pursuit of Canadian interests. Ultimately, any renewal process at the UN will have to take into account both Canadian and Japanese interests and objectives.

Another area of shared interest is overseas development assistance, in which Japan is the world's largest donor, and

Canada is also very active. Starting from working together on projects in Vietnam, we have extended our co-operation to Indonesia, the Philippines, Kenya and Southern Africa. We are eager to further increase our level of collaboration, and increase the important synergies that can be gained from working together in the field.

Japan thus has a key place in our foreign policy thinking. Canada in turn is important to Japan in foreign policy terms, including for some reasons that you may not be aware of. In terms of trade, Canada's partnership with the United States and Mexico in the NAFTA [North American Free Trade Agreement] makes us a cost-competitive base of access to the North American market.

In security terms, I have already referred to our co-operation as Japan has begun to define a role for itself in international peacekeeping. Let me state here today that co-operation with Japan on peacekeeping is and will remain a key component of our bilateral relationship.

Regional security is not only the responsibility of big powers. Each country has a role to play. Canada has a history of engagement in Asia Pacific, and it is an engagement we intend to pursue actively. Japan will want to give increasing thought to the regional security interests of countries such as Canada. There is also increasing scope for Japan and Canada to co-operate on emerging new "soft" security concerns, relating to human security.

Canada is unique among Japan's G-7 partners in having access and influence in all of the major international organizations, as well as in both the Commonwealth and la Francophonie. As we demonstrated on the CTBT, Canada and Japan can effectively combine forces to achieve agreed international objectives. This year's heavy environment agenda, to give just one example, provides another opportunity for close collaboration.

Looking Ahead

All that being said, my message to you today is that we have to use our excellent relationship more productively. We can advance our respective national interests even more effectively if we set out common goals and work towards their achievement. The foundation stones are already in place: our prime ministers last year agreed on an agenda for co-operation. It proposes increased attention on:

- the expansion of bilateral ties to promote trade, tourism and investment;
- co-operative work on environmental issues and official development assistance; and

- enhanced co-operation in such institutions as APEC and the WTO.

And we have some new tools to hand to build on this foundation. The recently established non-governmental Canada-Japan Forum provides an independent setting for dialogue on regional as well as bilateral issues of concern. It has the capacity to serve as an invaluable parallel track to our government-level discussions, as we re-think and expand our co-operation.

I have just recently seen the excellent, comprehensive study that Professor Nishihara and Professor Job produced on Canada-Japan security co-operation. It will serve as a very good basis from which to explore ways in which we can broaden understanding, expand co-operation and build capacity on security issues together.

Co-operation in the new field of peacebuilding should, I believe, be an important focus of this process of exploration. Last year I announced the launch of a new Canadian Peacebuilding Initiative, including a special peacebuilding fund. At that time, I outlined my own view of peacebuilding as a crucial tool in dealing with the new forms of conflict that have come to characterize the international landscape at the end of the century. Through improved co-ordination, preparedness and sharing of resources, we hope to develop the full potential of this new tool. This is exactly the sort of innovative project, based on shared goals and values, where Canada and Japan could work together. And where, by working together, we could make a mark on the international order of the next century.

Our relationship is so positive that we risk taking it for granted – as the saying has it, it is the squeaky wheel that gets the grease. It would be most unfortunate if we were lulled by the good state of our relations into missing opportunities such as these to achieve objectives that we share. My final message, therefore, is addressed not only to those of you in this room, but to those outside as well: to Canadians: think Japan. To Japanese: think Canada.

Thank you.

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Statement

97/21

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY
MINISTER OF FOREIGN AFFAIRS
ON
SUSTAINABLE DEVELOPMENT IN
CANADIAN FOREIGN POLICY

VANCOUVER, British Columbia
April 17, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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President Strangway, ladies and gentleman:

It is a great pleasure to address an audience that includes so many who are at the cutting edge of work on the environment and sustainable development in Canada. I would like to thank the University of British Columbia, Simon Fraser University and the University of Victoria for organizing this event and providing this opportunity to discuss with you where sustainable development fits in Canadian foreign policy.

In the days of the old Cold War certainties, international issues were compartmentalized. The world was divided into massive, opposing blocks, and the line between national and international concerns was clearly drawn. In the same way, human rights and military security were considered separate and unrelated issues. Economic and social development and environmental protection were considered not only separate but in some instances diametrically opposed.

In the last decade, all the old certainties have been swept away, and with them these artificial divisions. A new international landscape has emerged: new countries, new democracy and freedoms, but also new forms of conflict and threat.

If there is one characteristic that defines this new landscape, it is integration. We have realized that the issues we once dealt with separately are in fact interlinked. Out of this realization came a set of new concepts: globalization, human security, sustainable development. Professor Ivan Head and others present here today have done pioneering work in raising awareness of this latter concept in Canada.

Human Security and Sustainable Development

The notions of human security and sustainable development are, in my view, closely linked. They are based on the recognition that what happens in our own backyard can have global implications and, conversely, that global trends can affect our everyday lives. And they point us ultimately in the same policy directions.

The basic premise behind "human security" is that human rights and fundamental freedoms, the rule of law, good governance and social equity are as important to global peace as are arms control and disarmament. In other words, that security should be measured in terms of the ultimate outcome for individuals and for peoples, rather than in terms of the number of arms control agreements signed.

Sustainable development also focusses on the ultimate impact on human communities and on breaking down artificial barriers between areas of expertise to develop holistic solutions. Solutions that recognize the vital interplay and interdependence of social, ecological and economic activities.

Recently I met with representatives of the Meadow Lake Tribal Council. They described the collaborative project that they hope to undertake with tribal groups in Nicaragua. If the Nicaraguan authorities approve the project, they will work with the Miskito Indians to develop forestry, mining and tourism opportunities in a sustainable manner in the Atlantic Coast region of Nicaragua. In parallel to this, the Meadow Lake Tribal Council hopes to assist with de-mining efforts in this region, and CIDA [the Canadian International Development Agency] has offered to provide development assistance.

This is an excellent example of the sort of integration I am talking about: an international project that embraces aspects of environment, human rights, disarmament and humanitarian concerns. A project in which the main players are not national governments or their representatives, but groups of citizens.

Progress Since Rio

To see projects of this kind under way is heartening. But we must also recognize that the challenges posed by an increasingly integrated world, and by growing demands on our natural environment, are unprecedented.

Five years ago, at the Rio Conference, Canada took a stand with other nations in agreeing to a set of environmental and developmental measures without parallel in the international arena. As my colleague Sergio Marchi pointed out last week at the UN Commission on Sustainable Development [CSD] meeting in New York, we have made significant progress since then. But he also noted how much remains to be done.

One of the Government's most significant achievements, I believe, is in opening up environmental processes to bring together stakeholders in productive discussions. We have recognized that the involvement of civil society is crucial if we are to reach our sustainable development goals.

Canada played a key role, for example, in setting up the Arctic Council last year. This body brings together the representatives of not only eight circumpolar nations, but also of northern indigenous peoples to promote sustainable development in the North. The Council is unique among international bodies in involving in its work, on a permanent, integral basis, the people who live in the Arctic region.

Along with my colleagues the Minister of Indian Affairs and Northern Development and the Minister of Environment, I had the pleasure of hosting the inauguration of the Arctic Council last September in Ottawa. Canada is chairing the Council process until 1998. As Chair, we intend to develop and focus the work of the Council, in order to lay the groundwork for a co-ordinated

approach to addressing the unique challenges facing the circumpolar North.

This will include agenda setting and concrete work on such issues as abating the contamination of the Arctic food chain caused by long-range transportation of pollutants, analyzing and mitigating the possible impact of global climate change on the Arctic, and ensuring that future marine transportation of oil and natural gas is environmentally safe and socially beneficial. I want to pay special attention to the needs of children in the circumpolar North, as part of a wider strategy to build on the human dimension of sustainable development.

Canada will be organizing an Arctic sustainable development conference in the first half of 1998. I look forward, as well, to hosting the first Arctic Council Ministerial meeting later that year, at which we can demonstrate progress in all these areas and more.

The Pacific Salmon Negotiations

In the same spirit of involving those directly affected, have started negotiations that involve the stakeholders on both the U.S. and Canadian sides on the Pacific salmon dispute. Although there has been some progress in the negotiations, there is no final outcome as yet. But stakeholders have until May 9 to reach an agreement. The federal government is working hard to ensure that a solution acceptable to all parties is in place in time for this year's fishing season.

I raised Pacific salmon with U.S. Secretary of State Madeleine Albright, as did Prime Minister Chrétien with U.S. President Clinton, in Washington last week. We stressed how important this issue is to Canada and to British Columbia. Mr. Clinton agreed that it is important to make real progress and that this dispute should be resolved before the start of the fishing season.

While I do not want to prejudge its outcome at this point, I think the nature of the process itself is noteworthy. This is a process with local "buy-in" by Canadians and Americans who make their living from the salmon fishery. It is supported by the governments of the various U.S. states involved and the province of British Columbia. It is a process that recognizes that the days when all international issues could be settled by national governments alone are over.

If stakeholders fail to find a solution, however, it will be the federal government's responsibility to take action to resolve this dispute.

Forestry Issues

Another area where Canada has been active both domestically and internationally is forestry management. We have a National Forest Strategy in place and are implementing domestic criteria and indicators for sustainable forest management. We are active in the International Model Forest program — Canada has 10 model forests in operation — and the new International Model Forest Secretariat is being set up within the IDRC [International Development Research Centre] in Ottawa. We are also active in the Montreal Process to develop international sustainable forest criteria and indicators.

At the latest CSD meeting in New York, my colleagues Sergio Marchi and Anne McLellan called for negotiations towards an international forest convention. In this area too, the Government is convinced of the importance of including all stakeholders. We are working with provincial and territorial governments, the Aboriginal community and other interested groups to develop a strategic agenda for forest science and technology.

Canada and the United States: Preventive Policy Making

Our efforts have not taken place in a vacuum. Environmental concerns by their very nature are international in scope. Neither natural resources nor environmental pollution respect national borders. And that means, for Canada, that these concerns are, inevitably, transboundary in scope.

It is increasingly urgent that we work together with the United States to manage and protect the ecological footprint that we share. The west coasts of Canada and the United States share many environmental concerns: global warming, the depletion of forests, and management of shared water resources and fish stocks.

We need to be creative in our relations with the United States in responding to these concerns. On the environment, as on other issues, we have scores of bilateral agreements and mechanisms for dispute settlement. But virtually no processes exist to foster forward-looking dialogue and policy exchanges. We should not simply be waiting until things go wrong, and then discussing our disagreements in the litigious atmosphere of a dispute panel or a negotiation.

In my two recent meetings with U.S. Secretary of State Madeleine Albright, we discussed what I call preventive policy making: how we anticipate and manage environmental issues before they become disputes. I proposed to her that we look at ways to revitalize the International Joint Commission [IJC], to improve its capacity for preventive policy making on shared environmental concerns. We have agreed to charge the IJC with proposing ways in which the

Commission might best assist the partners to meet the environmental challenges of the next century.

Another key element of this approach is participation by stakeholders. The ongoing stakeholders' discussions on Pacific salmon are blazing the trail for what will, I hope, be a whole new way of addressing environmental issues with our neighbours to the south.

Looking Ahead

As you can see, we are starting to sketch out a new approach on international environmental issues: one that is anticipatory, inclusive and integrated. One that focusses on sustainable development as a core value. But it would be unrealistic not to admit that we are only at the beginning of a long road.

This June at the UN Special Session on Environment and Development, leaders from around the world will gather to review how they are doing on the commitments made five years ago at Rio. Canada will be represented at a senior level at the special session, to ensure that our voice is heard as the leaders chart a course for global sustainable development into the next century.

Political action and expressions of political will at the highest level are vitally important. But governments can not – and should not – act alone on sustainable development. If we are to achieve our goals, it will only be with the active involvement of all sectors of society. That is why we have made inclusion of stakeholders a key feature of the Canadian approach.

The work of academic and non-governmental organizations is also key. The report *Connecting to the World*, produced by a task force formed by the North South Institute, the International Development Research Centre and the International Institute for Sustainable Development [IISD], and chaired by Maurice Strong, is a good example. It explores exciting new directions in development policy. In particular, it looks at how information technology could be used to deliver our international assistance more effectively.

Connecting the World argues that access to knowledge is crucial to sustainable development. The task force recommended that the provision of know-how and information through knowledge-based networks become a significant focus of our development assistance efforts.

The Government is acting on this recommendation, through our work to develop a Canadian International Information Strategy. We will also be co-hosting, with the World Bank, the Global Knowledge '97 Conference, June 22-25, in Toronto. This conference will focus on using knowledge for development in the information age.

Bodies like the North South Institute, the IDRC and the IISD are engaged not only in important work of reflection, but also in practical projects to advance sustainable development. For example, just yesterday in Winnipeg I announced funding of \$500 000 from the Canada-Manitoba Infrastructure Works Program for the expansion of the IISD Information Network. In this way, Manitoba will become the home base for a worldwide sustainable development information service network. Through this network, Canadian environmental businesses and enterprises will be able to promote their products and services internationally.

A key element in the future will be to ensure co-ordination and co-operation in the work of these and similar bodies, so that they work collectively to further Canada's sustainable development goals. By bringing together those who are on the cutting edge of thinking on sustainable development, we can extend our reach towards ever more innovative solutions.

In this context, I want to welcome the initiative that the University of British Columbia has taken in establishing a Centre for the Study of Global Issues, which will work co-operatively with the University of Victoria and Simon Fraser University. My congratulations go to Ivan Head and Stephen Owen, who will head this initiative at the University of British Columbia and the University of Victoria, respectively. Through their work, they have put sustainable development issues at the forefront of the policy agenda. I look forward to the very rich input that I am sure the new Centre will provide, as we work to develop Canadian answers to the questions that their work has raised.

A Sustainable Development Strategy

The Government has already started working on developing some answers, by charting a new way of doing business. In the document *Creating Opportunity*, we recognized that sustainable development has to be integrated into the operation of government.

As part of its commitment to greening the federal government, the Government created a Commissioner of the Environment and Sustainable Development. At the same time it required all federal government departments to table a sustainable development strategy in Parliament before the end of this year. This new process will profoundly affect the way that the Department of Foreign Affairs and International Trade [DFAIT] and other federal departments conduct their business.

Today I am pleased to announce the release of Agenda 2000, a draft of the DFAIT Sustainable Development Strategy, for a second and final round of public consultations.

One of DFAIT's strengths is its international advocacy on sustainable development issues. Now it is time for us to practise

what we preach internationally. Our aim in this document is to outline a strategy for integrating sustainable development considerations into all aspects of our operations and decision making. In other words, to make sustainable development an over-arching theme for the conduct and practice of Canadian foreign policy and international trade.

I understand that consultations on Agenda 2000, hosted by the University of British Columbia, will begin immediately after our breakfast today. This is your opportunity to contribute to setting the issues, goals and action plan for sustainable development for which the Department will be held to account.

Conclusion

With the tremendous changes to other aspects of the international landscape in the last few years, there is a real danger that environmental concerns have slipped off the international agenda since Rio. We cannot afford to allow this to happen. Pragmatic, workable follow-up is critical.

To do this, we will have to work in new ways:

- through co-operative, win-win approaches based internationally on partnership and domestically on stakeholder involvement;
- through preventive policy making rather than after-the-fact wrangling;
- through firm political commitment combined with realistic goals; and, finally,
- through a willingness to practise what we preach.

Environmental degradation and resource scarcity are the underside of globalization. They are threats to human security that respect no boundaries. Faced with this kind of threat, the old approaches will not be sufficient. And finding new approaches will not be easy or non-controversial. But we have substantial assets and skills to bring to bear on the problem – including those gathered here in this room today. And we have the strongest reasons possible to get our answers right: the future of our children, and of our children's children.

Thank you.

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Statement

97/22

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY
MINISTER OF FOREIGN AFFAIRS
BEFORE THE STANDING COMMITTEE ON
FOREIGN AFFAIRS AND INTERNATIONAL TRADE
ON CHILD LABOUR

OTTAWA, Ontario
April 23, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Introduction

Let me begin by congratulating the Standing Committee on Foreign Affairs and International Trade (SCFAIT) Sub-Committee on Sustainable Human Development and its Chair, John English, for their work in producing a ground-breaking report on the issue of child labour. We all agree that child labour is a complex issue, both to define and to address effectively. That is why bringing together as wide as possible a range of views and experience through the Sub-Committee's hearings last fall was so important. And why the report that emerged from those hearings is so important, as we work to develop a Canadian response to this complex issue.

I wanted to take this opportunity to share with you my own initial views on the Sub-Committee's report, as this issue has been an important concern not only of the Government as a whole, but also of my own. My comments today do not, however, form the Government's official response to the report, which is in preparation.

The Sub-Committee in its report shares the widely accepted belief that not all forms of child labour are exploitative and abusive. However, those forms that deprive children of their right to fully realize their mental and physical potential, and expose them to hazardous and dangerous work, contravene a basic human right. Moreover, they rob countries of their most valuable resource for future economic development – a healthy, educated adult workforce.

For that reason, Canada supports an approach that recognizes child labour as a human rights issue as well as a development issue. An issue, in other words, that requires a multi-disciplinary response from a broad alliance of national and international authorities, civil society, and non-governmental organizations [NGOs].

Taking Action at Home and Abroad

The Government has made the rights of children a priority in both its domestic and its foreign policy agenda, as stated in the Throne Speech that opened the last session of Parliament. Since then, and since I last appeared before this Committee to discuss child labour, we have taken a number of measures, both domestic and international, to fulfil this commitment.

I will focus in my remarks today on my own primary area of responsibility, the international measures. But I would stress my belief that action on both fronts – within Canada and outside it – must go hand in hand. We must be sure that we are not neglecting our own children as we aid those of others.

In fact, sometimes domestic measures can help to protect the children of other nations, as for example in the case of Bill C-27. This legislation, introduced by the Government last year,

allows for the prosecution of Canadian citizens and permanent residents who engage in commercial sexual activities with children while abroad. Further improvements were made to the Bill in committee, to broaden it to cover non-commercial sexual exploitation of children. As members of this committee are no doubt aware, Bill C-27 was passed by the Senate this week with wide support and is now set to enter into law.

In parallel with this effort, Senator Landon Pearson has been chairing an interdepartmental committee to follow up on the Agenda for Action that was developed at the Stockholm World Congress Against the Sexual Exploitation of Children, held last August.

Children's Rights as a Foreign Policy Priority

Ethan Kapstein of the Council on Foreign Relations noted in a recent article that the failure of "advanced global capitalism to keep spreading the wealth" presents policy makers with a challenge that we could not have anticipated 30 years ago. Kapstein goes on to argue that the global economy has failed workers throughout the world. It is in this context that we continue to see children involved in abusive and exploitative work situations.

It is to address this challenge that I have made child labour, and more broadly children's rights, a priority in Canada's foreign policy. I would like to outline for you today some of the actions my department has taken and will be taking, in concert with other departments, to deal with this complex problem, bilaterally, regionally and multilaterally.

Bilaterally

My colleague Don Boudria, the Minister for International Co-operation and Minister Responsible for la Francophonie, outlined in a speech last month the Canadian International Development Agency's [CIDA] commitment to promoting and protecting the fundamental rights of children.

For example, through CIDA, Canada funds a range of exemplary preventive projects:

- education of girl children in Africa;
- production of educational material for the prevention of sexual violence in Peru;
- a video on the trafficking of women and girls from India and Nepal; and
- the promotion of the rights of women and children in the Mekong River region.

I myself have raised the issue of children's rights and programs to protect them in a number of recent bilateral visits. For example:

- During my visit to Cuba, it was agreed that Canada and Cuba would participate in a joint workshop on children's rights, to be held in Havana in May. Senator Pearson will lead the Canadian delegation.
- During my visit to India, I held discussions on ways Canada could work with India to tackle child labour in that country, including through the \$500 000 Child Development Fund that we established for bilateral co-operation.

Regionally

We held a tripartite conference with our NAFTA [North American Free Trade Agreement] partners on child and youth labour in North America in San Diego last February. This conference explored innovative ways to end inappropriate participation of children in the workforce. It also discussed how NAFTA countries can reduce risks to the health, safety and educational opportunities of children and youths who are legally in the workforce.

Multilaterally

In the multilateral arena, there has been a welcome new focus on and impetus given to efforts to tackle child labour, including its most exploitative forms, such as child prostitution.

- Canada has actively supported working groups established by the UN Commission on Human Rights to elaborate two optional protocols to the Convention on the Rights of the Child: one on the sale of children, child prostitution and child pornography; and the other on children in situations of armed conflict. In February, representatives from Justice Canada and DFAIT [the Department of Foreign Affairs and International Trade] were active in negotiations on the draft text of the former of these. Canada was instrumental in the drafting of the definition of child pornography and of measures to protect child victims, which will, we hope, be adopted in the final text of the optional protocol.
- The World Customs Organization met in February 1997 and accepted a Canadian recommendation to recognize child pornography as contraband and to develop policies and strategies to deal with such materials, with particular emphasis on the problems posed by electronic transmission. Revenue Canada is working on the international tracking of child pornography and pedophiles, and on training Interpol officers and law and customs officials in Central and South America.

- In February, Canada ratified the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption. By establishing guarantees that international adoptions are carried out in the children's best interests, the Convention, and the system of co-operation between member states that it sets up, will help prevent the abduction, sale or trafficking of children.
- More than any other multilateral body, the ILO [International Labour Organization] has been the focal point of international efforts to combat child labour. Canada contributed \$700 000 last year to the ILO's International Program for the Elimination of Child Labour [IPEC] for sorely needed basic research and analysis.
- In February, Secretary of State (Latin America and Africa) Christine Stewart attended the Amsterdam Child Labour Conference. This meeting was another important step in developing a better international understanding of the complex problem of child labour. Canada will also participate in the conference scheduled to be held in Oslo in October, which will build on the work of the Amsterdam conference.

A Canadian Child Labour Strategy

As you can see, we have been busy. But much remains to be done. And the Sub-Committee's report provides, in my view, an excellent starting point from which to develop a Canadian strategy on the specific issue of child labour. Some of the key considerations in such a strategy would be:

- that child labour is a worldwide problem, and that while the focus of Canadian attention is in developing countries where the problem is most acute, Canadians have a domestic responsibility as well;
- that in developing countries the problem is rooted in poverty and is not amenable to quick-fix solutions;
- that the core of the problem is exploitative child labour, not child labour in general;
- that the most effective actors in addressing this issue are governments, NGOs and businesses in the countries where the problem is most acute; and that the role of Canadians is to support the work of these local actors, not to substitute for them;
- that the function of international agreements and conventions is to establish agreed international norms that will help frame national legal standards; Canada's role is to help to promote the negotiation of such international

agreements. We will make negotiation of an ILO convention on exploitative child labour the focus of our multilateral efforts on this issue. We will use other multilateral forums to build support for this convention and engage Canadian business and labour to do the same with their counterpart organizations in the ILO; and

- that a specific Canadian strategy to address child labour must be consistent with Canada's approach to other international children's issues and be consistent, more generally, with overall Canadian foreign policy, trade policy and development assistance policy.

Looking Ahead: Action on Many Fronts

At this point, we are only in the early stages of developing our strategy and responding to all the complex issues raised by the Sub-Committee report. But we are already planning to act on a number of fronts in ways that will, I believe, address some of the issues raised in the report.

Canada will participate actively in developing the new convention on child labour and the ILO conferences planned for 1998 and 1999. We will be preparing positions for these events in close co-operation with our provincial colleagues, employers' associations and labour organizations. Our aim is to make the employment of children in hazardous industries, bonded labour and child prostitution utterly unacceptable and a thing of the past.

In addition, an International Conference on Sexually Exploited Youth is planned for Spring of 1998 at the University of Victoria. Some 40 to 50 young people who formerly worked in the sex trade will be invited to prepare their own Declaration and Agenda for Action to complement the documents that came out of the Amsterdam conference. Status of Women Canada and DFAIT have already agreed to provide funding, and it is likely that several other government departments will also contribute.

The Child Labour Challenge Fund

I am pleased to announce today the creation of the Child Labour Challenge Fund, a special responsive fund to provide matching funds to companies and business associations to develop and promote their own voluntary guidelines, codes of conduct and/or labelling schemes to address the issue of child labour. Up to \$200 000 a year for the next two fiscal years will be allocated for this purpose. Allocations from this fund will be made on the recommendation of a small steering committee, to be chaired by Senator Landon Pearson. This committee will also include two business representatives, as well as one from labour and one from the NGO community.

This initiative responds to the recommendations made in the Sub-Committee report to the effect that "the Government develop and publish a set of policy guidelines for Canadian business practices addressing the issues of child labour exploitation... with supportive involvement from the private sector, labour and non-governmental groups and concerned citizens of all ages" (Recommendation 13).

In the spirit of this recommendation, the Canadian government would like to demonstrate its willingness to assist the private sector to develop and promote such schemes. And at the same time, it would like to challenge the private sector to develop its own guidelines, rather than have the Canadian government do this task for them.

Corporate giants like Nike and Levi-Strauss can afford to develop their own codes of conduct without assistance. Our aim in establishing this fund is to provide a short-term incentive to smaller Canadian businesses and business sector associations to undertake the up-front costs of researching, developing and promoting their own guidelines or codes of conduct. We would particularly encourage private sector associations to work in partnership with labour, academic and non-governmental organizations in developing such guidelines.

Working with Canadian Missions and with Other Countries

Following on my experiences during my week-long visit to India in January, I am asking selected heads of Canadian missions abroad to provide input on how they deal with the issue of child labour, and what more might be done. I was impressed by the exchange of ideas I had with the Canadian High Commissioner to India and his staff, and I would like to open up a similar dialogue with our missions in other developing countries. I will ask my special advisor on children's issues, Senator Pearson, to assist in this process. I plan to include this feedback in the Government's official response to the Sub-Committee report.

I would also like to explore an approach suggested by the Sub-Committee, that we develop specific bilateral partnerships with a limited number of countries in different regions to work to eliminate exploitative child labour. As I see it, such partnerships could entail:

- a positive political dialogue with host governments on this issue, as a standing agenda item on existing ministerial or senior official consultations;
- partnership with relevant business organizations to promote the use of voluntary codes of conduct developed by Canadian businesses working in those countries; and

- where possible, collaboration between our relevant national human rights institutions to help strengthen the protection of children's rights.

Conclusion

As you can see, there are many different avenues to pursue on child labour. Tackling this problem in an effective way remains a massive task. But I believe that the work of the Sub-Committee has provided much food for thought and an excellent starting point for future action as we develop an integrated Canadian approach. I thank the members of the Sub-Committee and its Chair, John English, for their contribution, and reiterate to them my own personal commitment to keeping Canada at the forefront of the battle against exploitative child labour.

Thank you.

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Statement

97/23

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE ART EGGLETON,
MINISTER FOR INTERNATIONAL TRADE,
ON THE OCCASION OF
THE INTERNATIONAL CONFERENCE OF
THE WORLD ASSOCIATION OF WOMEN ENTREPRENEURS

TORONTO, Ontario
May 3, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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When Sam Bulte invited me to attend this evening's event some months ago, I was pleased to accept her invitation. It is a great honour and pleasure for me to address this International Conference of the World Association of Women Entrepreneurs. Let me congratulate all of you for the work you are doing. And with the emergence of the new economy, no conference theme is more appropriate than the one you have chosen: "Launching Global Networks."

Establishing strong networks and relationships is key to the success of any enterprise, especially in the global economy, where entrepreneurs must develop and adapt to new business practices, work in foreign countries and understand the cultures where they do business. Canada exports more per capita than the United States, and we trade more intensively than any other G-7 country. And, in Canada, we rely on international trade to sustain our economic growth and standard of living.

For the past several years, Canadian entrepreneurs have been at the leading edge of an export boom that *TIME Magazine* calls "unprecedented in Canada's history and rarely matched elsewhere in the world." In the process, Canada seems to have entered a telephone booth as an inward-looking nation and emerged as what *TIME* calls an "exporting superhero."

We're not used to thinking of ourselves in heroic terms, even though Superman was created by a Canadian. But the facts are impossible to ignore.

Exports are the driving force of the Canadian economy. The figures speak for themselves: in the last 10 years, our exports have doubled; they represented a quarter of the Canadian economy a decade ago, and they account for over 40 per cent of our gross domestic product today.

Our government has made job creation a priority and exports are proving to be the leading source of new employment. Every \$1 billion dollars in exports supports some 11 000 jobs in Canada, underscoring the importance of securing and expanding Canada's trading relationships. So, for Canada, there is no other choice. The experience of the last few years has taught us that if we are to maintain our standard of living, then we have to export.

That is why Canada is playing a leading role in the global trading system under the World Trade Organization and why we are seeking to expand trade with Latin America through the Free Trade Area of the Americas. It is also why we have signed the Canada-EU Action Plan. And, it is why we have designated 1997 as Canada's Year of Asia Pacific. In November of this year, Canada will chair the Asia Pacific Economic Co-operation leaders' meeting in Vancouver, where we will aggressively pursue further trade liberalization in the Asia Pacific.

On a bilateral level, this year Canada signed a Free Trade Agreement with Chile in the hopes of facilitating its accession to the North American Free Trade Agreement. We also signed such an agreement with Israel, and we are looking to deepen our trading relationship with the countries of Latin America.

The Canadian government can help to provide a safe, regulated environment for foreign trade and facilitate business dealings, but it is Canadian entrepreneurs who are leading the way in finding new markets and new territories for their goods and services, which have a reputation for quality and competitive prices.

Because of the crucial role they play in our economic future, I have set a goal of doubling the number of active exporters by the year 2000. We are well on our way, but Canada needs your help if that target is to be achieved.

It has been our entrepreneurs, seeking larger and more specialized markets than Canada alone could offer, who have blazed the trail across borders. But women entrepreneurs remain underrepresented in Canadian export activity, while representing the greatest potential of new Canadian exporters.

A recent independent study, conducted by Dun & Bradstreet for the Bank of Montreal, reported that nearly one-third of Canadian firms are now owned or operated by women. The analysis showed that women control some 700 000 business enterprises, providing 1.7 million jobs.

While the number of women-led firms is growing twice as fast as the national average, these firms are creating jobs at a rate more than four times the national average. This holds true in every province, although the inventiveness of women entrepreneurs is best illustrated by the growth in numbers of women-led firms in regions where economic activity is otherwise subdued.

In Saskatchewan, where 1 in 20 active companies actually disappeared, the number of companies led by women grew by 10 per cent. In Quebec, where the number of companies posted a modest 3 per cent growth, the number of firms led by women entrepreneurs grew at eight times that rate.

Further, firms led by women are expanding in size and broadening in scope. Today 16 per cent of the jobs created by women are in firms with more than 100 employees. Retail trade and personal services still account for half the enterprises led by women, but women entrepreneurs are branching out to include finance, insurance and real estate; wholesale trade; business and community services; and manufacturing and construction.

Clearly, women entrepreneurs, particularly those who own SMEs [small or medium-sized enterprises], represent a significant and fast-growing sector of the Canadian economy and a tremendous potential for new export trade. Realizing the potential this represents, I'd like to tell you about some of the programs and services we offer to help entrepreneurs harness their export potential.

In recent years, we have increased the ability of the Export Development Corporation [EDC] to lend to SMEs seeking to enter emerging markets. In 1996 alone, the EDC supported nearly \$4 billion worth of exports, by 2500 SMEs, to more than 120 countries. It has an Emerging Exporters Team, which provides services such as a toll-free hot line and same-day buyer credit approvals to exporters with annual sales of up to \$1 million. Last year, it also began working with Canadian banks and credit unions to provide working capital financing to small exporters.

Meanwhile, Canada's trade commission offices located throughout the world will continue to provide service to Canadian exporters as they have done now for over 100 years. Increasingly, services will focus on providing timely market information and analysis of new market opportunities, with particular attention to the needs of SMEs and women entrepreneurs.

Leading the way in this regard has been the trade commission staff at our Washington embassy, which deserves the credit for bringing the potential and particular concerns of women entrepreneurs to the top of my agenda. The Washington trade commission is to be congratulated for its recent innovation in launching the Canadian Women's International Business Initiative, which will provide women entrepreneurs with information and business contacts to help pursue export opportunities in the mid-Atlantic states. This initiative has my full support, and I look forward to endorsing its expansion to include other markets as well.

Building on the Washington initiative and in recognition of the important contribution women entrepreneurs can make to Canada's trading success, I am pleased to announce that an all-woman Team Canada trade mission will go to the Washington, D.C., area this fall.

The team will be drawn from three broad categories: women-owned firms that are ready to export; leading women's groups, such as the World Association of Women Entrepreneurs; and women who are already successful exporters and who are willing to act in a mentoring role. As a measure of the value Canada attaches to this initiative, I have already spoken with my U.S. counterpart, Secretary of Commerce Bill Daly, about his possible involvement, and he has assured me of his support.

This mission will be less concerned with nailing down export contracts and more concerned with establishing linkages among entrepreneurs, government agencies and women's business groups. At the same time, it will provide us with the opportunity to educate ourselves about the barriers faced by women entrepreneurs, such as in access to export financing, and what can be done about them.

As the goal of network building emerged for this trade mission, the Washington area became the obvious destination. Washington is the network capital of the United States and home to more than 7500 national associations. The mid-Atlantic region has the highest U.S. concentration of technology firms outside Silicon Valley. The U.S. federal government buys commercial goods and services worth over \$50 billion, providing lucrative opportunities for Canadian firms. And, one-tenth of all training services in the United States are delivered in the mid-Atlantic region. These are just some of the reasons why Washington is attractive for future exporters.

I hope that many of you will be able to join this Team Canada mission. If any of you want more information or are prepared to sign up, I ask you simply to contact either of the two staff members from our Washington embassy who are here tonight. Astrid Pregal and Judy Bradt deserve credit for their foresight and initiative, and for bringing the idea of an all-woman Team Canada mission to my attention. They are in attendance with us tonight and will be pleased to arrange for your participation.

It is my government's intention that the Team Canada mission will not only provide the catalyst for more export activity, but it will also send a strong message that Canada needs women entrepreneurs to take a full part in our overall trade boom. I believe you will benefit from it and so will the Canadian economy.

Thank you for your kind attention.

Statement

97/24

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE ART EGGLETON
MINISTER FOR INTERNATIONAL TRADE
ON THE OCCASION OF
THE APEC MINISTERIAL MEETING

MONTREAL, Quebec
May 9, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Welcome ladies and gentlemen.

In 1904, Sir Wilfrid Laurier, Canada's first Liberal Prime Minister, made a speech, which included the most celebrated aphorism of our times:

"The 19th century was the century of the United States," he said. "I think we can claim that it is Canada that shall fill the 20th century."

The phrase became shortened to, "The 20th century belongs to Canada." Those six words have been hotly debated ever since, reaching across the decades as a test of our national achievement and a statement of our national purpose.

As the century draws to a close, I believe that history has proven Mr. Laurier to be right. On the eve of the 21st century, Canadians can lay claim to the highest quality of life in the world, according to the UN. And ours has been not only a material success, but a spiritual one.

We have built a society that is compassionate towards the poor, the sick and the disadvantaged. And we have managed this while protecting our national treasures, whether they be the unparalleled beauty of our natural parks or the gifted contributions of our artists and story-tellers.

There are some who choose instead to minimize Canada's achievements and magnify its differences. They say Mr. Laurier was wrong. But whether or not the 20th century belonged to Canada, it was undeniably true that Canada belonged to the 20th century.

And now, I am about to make a statement equally as bold, and equally as optimistic, as Wilfrid Laurier's. It is this:

The 21st century belongs to Canada in the Pacific.

Let this prediction also stand as a test of our achievement and a statement of our purpose. I propose today both a vision and a challenge for Canada to realize in the few short years remaining before the 21st century is upon us.

My vision is to see Canada realize its full potential as a participant in the burgeoning economies of the Asia Pacific. The challenge I set, both for my department and the private sector, is to make that vision a reality.

This is a timely challenge, as 1997 marks Canada's Year of Asia Pacific and our turn to chair the 18-member APEC [Asia Pacific Economic Cooperation forum] group of economies. For one full year, the eyes of the Asia Pacific are on Canada.

More than 100 Asia Pacific government leaders and ministers — many of which are with us tonight — and hundreds of business people will visit Canada this year, to discuss issues ranging from market access to sustainable development. This provides us with a unique opportunity to place Canada on the horizon of Asia Pacific business leaders.

And this opportunity, to build new bridges across the Pacific and to reinforce existing ones, is of strategic importance for Canada's long-term economic security.

But I also intend for Canada's Year of Asia Pacific to pay off in the short term, with immediate prospects for trade and investment that will contribute to jobs and economic growth in Canada. It is important that we pursue these prospects now, not years from now, because by then it may be too late.

The pace of growth and change in Asia is occurring on a scale that is highly impressive. The region already accounts for 40 per cent of the world's trade and will soon account for one third of global production. The growth of its gross domestic product [GDP], which has already been twice as fast as any other region, is expected to triple the Organization for Economic Co-operation and Development [OECD] average. By the year 2020, seven of the top ten economies in the world will be in the region.

This generation could see the economy of China grow to be 40 per cent larger than that of the United States. Of the other G-7 Western industrialized countries, only France and Germany are forecast to remain in the top 10, in sixth and ninth place, respectively. By the year 2020, the other leading economies of the world will be Japan, India, Indonesia, Korea, Thailand and Chinese Taipei.

The Asia Pacific will be more than a trading zone. It will be a real centre of power, a force in international affairs and a model of economic development. We simply cannot ignore this evolution, nor can we fail to become a part of it.

In most cases, these economies will have developed from agrarian, to industrial, to information economies, all in the space of 30 years. These economic miracles are being paced by changes in society and demographics. Within 10 years, the Asia Pacific will be home to nearly two thirds of the world's population, most of them less than 25 years old and members of a middle class that will have doubled in size.

With the highest savings rate in the world Asia will be a leading source of consumer demand and investment capital. Already in Indonesia — which is the fourth most populated country in the world — the middle class is as large as the entire population of Canada. India's middle class is as large as the population of the

United States. By the turn of the century, at least 400 million people will have personal incomes at, or higher than, the OECD average.

Meanwhile, Canada's large enterprises help with the Asia Pacific's most pressing need — its need for electrical power and added infrastructure. The requirement for infrastructure investment is calculated to be \$200 billion a year for the next 10 years, or \$2 trillion in total. This need matches Canada's world-class capabilities in the areas of energy, transportation and communications.

The countries of the Asia Pacific are paying greater attention to environmental protection and clean-up. There is a potential market of \$24 billion a year, which again matches Canada's proven track record in environmental management. And the need to train and educate an increasingly sophisticated workforce already represents \$1.5 billion a year.

The numbers are staggering, but what do they mean for Canada? They mean an opportunity not to be missed. They mean a challenge for our exporters and entrepreneurs to establish an on-the-ground presence in Asian markets. And they mean our eyes in the future must be trained across the Pacific.

The Government of Canada is committed to an agenda for jobs and growth, and this agenda has been driven forward by our success at world trade. And our trading success, in turn, has increasingly relied on our small and medium-sized enterprises being flexible and quick to identify niche markets. We can succeed in the Asia Pacific market, because we must, and we have faith that our small and medium-sized enterprises will lead the way.

Traditionally, Canada's exports to Asia have been agricultural and resource products. But the experience of last year, when the dollar value of our exports to the region declined by 11 per cent — largely because of falling commodity prices — emphasizes the danger of complacency.

We need to diversify our exports to include markets of opportunity. Small and medium-sized enterprises would be well advised to build an export strategy around the middle class boom, which is likely to see increased demand for processed food products, leisure goods, cultural industries, educational services and overseas vacations, to name a few.

That cannot happen unless these enterprises enter the Asia Pacific market. The Government of Canada is prepared to assist, whether in the larger picture of improving market access, or in the details, or through the information and advocacy of our trade commissioners.

But none of these efforts can replace the active participation of Canadian enterprises on the ground. Frankly, our record in this regard could be better. There are some 60 000 small and medium-sized enterprises in Canada, yet only 5 000 export on a regular basis. And there are only 600 Canadian firms with a presence in Asia, a tiny fraction of the total. That is why I have set a goal of doubling the number of active exporters in three years.

It's not just my priority. It's our government's first priority. Increasing trade is a key plank in our government's Job Strategy. Every \$1 billion in exports creates and sustains 11 000 jobs in this country. Simply put, more trade means more jobs.

I believe the government can work effectively with business, as a partner, to open up new markets. We have seen how effective the Prime Minister's Team Canada trade missions have been — over \$22 billion in sales and thousands of jobs since 1994.

Opportunities exist in Asia, but they outweigh the opportunity-seekers. I call today on Canadians to change all that. The cost of doing business in the region is high, but so are the rewards. And the cost of not doing business is even higher.

The region is becoming more familiar, as our links through trade and people increase. In the early 1980s, less than one sixth of air passengers in Canada travelled to or from the Asia Pacific; that level doubled within a decade. Similarly, one third of Canadian immigrants in the early 1980s came from the Asia Pacific; a decade later, the Asia Pacific provided more than half of all new arrivals. There are now more than two million Canadians of Asian heritage, a pool of human capital that can help us gain an advantage in the region, while conveying Canada's multicultural and open nature to our Asian friends. It is no coincidence that British Columbia, with its Pacific seaboard and high concentration of Asian immigrants, accounts for 40 per cent of all exports to the Asia Pacific.

For our friends in the region, we have the opportunity, we have the capability and we have the people. And we also have a strategy to bring them together, which I am pleased to outline for you today.

In the short term, my priorities are clear. I will be doing everything I can to promote new undertakings, particularly those arising from the APEC conferences. And I will be consolidating the gains made by the Team Canada trade mission to Korea, the Philippines and Thailand earlier this year, which resulted in the announcement of \$2 billion worth of business agreements.

I am pleased to chair the APEC trade ministers' meeting here in Montreal — the first in a series of ministerials that will take place across the country. My agenda is an open one — I want to

begin development of a substantial package to liberalize and facilitate market access in preparation for the APEC leaders' conference in Vancouver in November.

The special needs of small and medium-sized businesses are a priority for APEC, whether they come in financing information, networking or other forms of assistance. Small and medium-sized enterprises will also be the focus of an APEC ministers' meeting in Ottawa this fall, when ministers will examine ways to improve market access and information. As I mentioned earlier, other blue-ribbon conferences of government ministers will be held across the country this year.

The Toronto conference will deal with the integration of environmental, social and economic concerns. In Victoria, we will discuss transportation issues, and in Edmonton, dealing with energy needs. At each of these conferences, there will be opportunities for Canadian firms to showcase their talents and to network with business people from Asia Pacific.

We cannot take decisions about the future shape of the region in a vacuum. In the end, our success in creating sustainable growth and equitable growth will be judged not by trade figures alone, but by the condition in which we leave the world to future generations of leaders.

Of greatest importance to our long-term security is the vitality of the APEC process itself, which offers our best promise of keeping in touch with key decision makers, of providing linkages with the Asian economies, of being able to influence the directions of policies and programs, and of establishing Canada as an Asia Pacific nation.

APEC is the most dynamic forum in the Asia Pacific region dedicated to furthering the liberalization and facilitation of trade and investment. At the same time, its actions fully support the development of the multilateral rules-based system of the World Trade Organization [WTO]. More and more, work in APEC is seen to complement, and even lead, work in the WTO.

Our priorities for APEC this year include a sharp focus on deepening our commitments to trade liberalization, particularly in working together to identify new sectors for improved access. We will also emphasize the critical importance of trade facilitation.

Harmonized customs procedures, consistent product standards, user-friendly procurement guidelines, and improvements to business travel and investment transparency are all within the scope of the APEC talks. And they will all result in greater predictability and lower costs for Canadians and for everyone doing business in the Pacific Rim.

The Asia Pacific has proven to be Canada's fastest-growing trading partner, with annual increases in trade and investment of about 11 per cent for the past decade. But we cannot afford to be self-satisfied. The region will continue to be of considerable importance to Canadian agricultural and resource producers, but an over-reliance on commodities will leave us at risk of missing out on other opportunities. We need to move into the value-added, manufactured goods and services markets, and to perform there at a world-class level.

In the long term, my department is committed to building a durable bridge across the Pacific, through the development of APEC and through a vigorous program of bilateral trade and assistance to exporters. But right now - today - we can begin to target markets of opportunity and to promote the Canadian advantage to the markets of the region.

We must advance on both fronts. The question is no longer whether the Pacific Century will belong to us, but whether we will belong to the Pacific Century. If we fail to reach across oceans and cultures, then the loss will be entirely ours. But if we succeed - as I am certain we will - then the gains will be for us and our Asia Pacific friends together.

Thank you.

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Statement

97/25

STATEMENT BY CANADA
AT THE
THIRD WESTERN HEMISPHERE
TRADE MINISTERIAL

BELO HORIZONTE, Brazil
May 16, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Canada is encouraged by the progress made in the preparations on a Free Trade Area of the Americas [FTAA]. We are pleased with the continued determination of all 34 countries to work together to achieve our common objective. We want an agreement that will maximize market openness and contribute to greater prosperity throughout the hemisphere. Our heads of government will meet again in Santiago, Chile, in March of 1998 and we will report what we have achieved toward the realization of that goal. What will we tell them?

A major turning point this year was the emergence of a consensus on the approach and timing of negotiations. In our view, there is convergence on certain elements of a Free Trade Area of the Americas, which:

- is a single undertaking based on a comprehensive package of mutual rights and obligations;
- co-exists with agreements in the hemisphere;
- builds on the WTO [World Trade Organization] and has as its objectives the further liberalization of trade in goods and services;
- has clear and predictable rules of origin;
- provides for disciplines on investment;
- allows for negotiations by countries individually or as members of sub-regional units;
- will by the year 2005 at the latest have concluded negotiations.

When trade ministers met in Cartagena last year, Canada sought answers to three questions, the "what," the "how" and the "when" of negotiations. We now have answers to two of those questions. We have agreement in principle on the basic level of obligations and on the overall approach to negotiations. We need to agree today to begin the negotiations in Santiago next year.

We are convinced that while areas requiring resolution remain, we are on the threshold of reaching an agreement to negotiate an FTAA that will allow us to realize the objective of our leaders. We should set out an ambitious work program between now and our next meeting in San José in nine months.

Today, we should establish a preparatory committee at the vice ministerial level to develop a program of negotiation. It should identify the best possible approach, including the establishment of a negotiating committee and the number and mandate of issue-specific negotiating groups.

We believe that we can work with fewer negotiating groups and we are open to recommendations on how many there should be and in what sectors or disciplines they should be concentrated.

Setting out the timetable for negotiations on specific issues will require considerable flexibility but there is an opportunity for us to agree on a framework that will meet our collective needs and expectations. Canada is on record as favouring a program that initiates negotiations in all substantive areas at the same time. Some negotiating groups will go faster than others. But negotiations should begin at the same time in all areas.

We support the proposal to conduct a feasibility study on the options for establishing a small secretariat to assist us during the negotiations.

There are serious issues that require our attention. In a hemisphere where there are different levels of development and sizes of economies, there is no simple solution to facilitate the removal of barriers, open markets and achieve trade liberalization. However, we believe that there is a will to find creative solutions. Canada believes that the FTAA is a means to realize the economic prosperity needed to achieve our social aspirations.

The examination of market access issues requires a great deal of time and effort. We must begin our discussions now if we hope to make the progress required to begin the elimination of tariffs and non-tariff barriers by 2005. This, in the eyes of the Canadian business community, is the core of any free trade agreement.

Initiating negotiations on substantive issues is critical not only to the FTAA process but also to demonstrate to business leaders and investors, particularly those outside the hemisphere, that we mean business. If we do not signal our intent now to launch the negotiations in Santiago and begin the negotiations soon, business leaders and investors in the hemisphere and elsewhere will lose interest. The attention of governments will be attracted to other regions and issues. The momentum we have built will be lost. We must make the necessary decisions today to seize this historic opportunity.

Statement

97/26

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI
MINISTER FOR INTERNATIONAL TRADE
ON THE OCCASION OF
A LUNCHEON HONOURING
PRESIDENT OSCAR LUIGI SCALFARO OF ITALY

TORONTO, Ontario
June 25, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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President Scalfaro, colleagues in government, distinguished guests, ladies and gentlemen:

Let me begin by saying what a great privilege it is for me to be here with President Scalfaro on his first visit to Canada. It has been some time since we have been honoured by the visit of an Italian President.

As the son of Italian parents, I am delighted that one of my first official functions as Minister for International Trade is to welcome the President of Italy to Canada!

We are also delighted, Mr. President, that your daughter has joined you and we hope that both of you enjoy your stay in Canada.

Mr. President, you should feel very much at home in Toronto. More than 400 000 Canadians of Italian descent live in this city and it is one of the few places outside Italy where you can get decent risotto!

The personal ties between our two countries are both strong and enduring.

Italy and Canada are old friends. Some would say "family." Many of your sons and daughters emigrated to Canada and helped to build a strong, prosperous and free country. They saw in this new country a land of hope and opportunity. They have contributed to the national fabric and have excelled in all fields.

Their story is, in many ways, the story of Canada.

We are particularly mindful of our debt to Italy this year, as Canada celebrates the 500th anniversary of Giovanni Caboto's landing in Newfoundland. Caboto started something of a trend: Italians have been visiting Canada ever since!

And as members of the world community, we also acknowledge the remarkable cultural legacy that is Italy. Like nations everywhere, we stand as inheritors of the genius of Michelangelo, da Vinci, Dante, Rossini and Caruso.

We are grateful recipients of the brilliant culture, rich history and incomparable beauty of Italy. But I had better stop there, or I'll be accused of being biased!

Of course, Italy and Canada are united as much by present realities as by past experiences.

We share many international responsibilities in forums such as the United Nations, the World Trade Organization and the Organization for Economic Co-operation and Development. We are both known for our peacekeeping efforts.

We are both members of the G-7, and we are both poised to profit from recent developments in our respective regions – Italy with the move to a single-currency European market and Canada with the opportunities presented by the North American Free Trade Agreement.

It is my firm belief that to the already strong bonds of friendship, Italy and Canada must now add the ties of commerce. We must increase the amount of trade and investment between our two countries. And the potential is just amazing!

Right now, trade between us is substantial – over \$4 billion. Many Italian companies are household names here in Canada – companies like Olivetti, Pirelli and Benetton.

And many Canadian companies are well known in Italy – companies like Nortel, Alcan, Bata and Zenon. But the simple fact is that we should be trading and investing far, far more with one another, given the size and importance of our economies.

If there was ever a time for Italian and Canadian businesses to combine forces and pool resources, it's now. If there was ever a time ripe with opportunities for strategic alliances and mutually beneficial partnerships, it's now.

Wonderful opportunities exist, not only for large, well-known companies, but also for smaller and medium-sized companies. These smaller enterprises, know their respective markets well. They understand the cultures, they understand the environment.

And these companies are innovative, adaptable and flexible. They can respond quickly to new circumstances and new opportunities. What they may lack is sufficient size to move into new markets.

By combining forces, we can assist each other both to understand and to penetrate the larger markets which await us. So much is to be gained by using each other as gateways to these exciting new opportunities.

And there is also vast potential in third markets. One area of particular promise is in the field of large-scale infrastructure projects.

Both countries are involved in these kinds of projects in the developing world. Just think of what we could do if we teamed up in areas like communication, transportation and environmental technologies!

Of course, many contacts have already been established between Italian and Canadian companies in the areas of software and telecommunications.

Canadian companies had a strong presence at the very successful SMAU Information Technologies Fair held in Milan.

And during his visit to Italy just a few months ago, my predecessor, Minister Eggleton, signed an agreement for co-operation in the field of telecommunications.

There are many other areas of promise for Canadian companies as well.

Canadian companies recognize the advantages of aligning themselves with Italian partners. Italy boasts the fifth-largest economy in the world, with 57 million affluent consumers. And it is blessed with a strategic location.

If there is one country that is poised to become the premier transatlantic trading nation, it is Italy. And we want to help you build that future. We want to be your partners as you take on North America; with its many economic advantages, an enterprising citizenry and a progressive national fabric, Canada should clearly be your destination of choice.

Both Italy and Canada share a common desire to increase employment, especially for our young people. Trade is a major creator of jobs and by fully realizing the potential of Italian-Canadian trade, we can open new markets, explore new opportunities and create new jobs for citizens in both countries.

Mr. President, few nations on earth share the kind of close cultural ties we do. We know one another. We're comfortable with one another. Some of us even speak the same language! Let's translate those ties into a thriving economic relationship - one that benefits both Italy and Canada.

We are honoured by your presence, Mr. President, and we wish you the very best during your stay in Canada.

Viva Italia! Viva Canada!

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Statement

97/27

CANADA-U.S.
JOINT STATEMENT ON
PACIFIC SALMON



WASHINGTON, D.C.
July 23, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



The Minister of Foreign Affairs of Canada, the Honourable Lloyd Axworthy, visited Washington, D.C., July 23, 1997, to discuss problems related to Pacific salmon and the Pacific Salmon Treaty.

The Pacific Salmon Treaty is intended to provide a framework for Canada and the U.S. to conserve and manage Pacific salmon stocks. However, the Treaty is not functioning properly, in large part because the parties disagree on the interpretation and implementation of its principles. Negotiations have thus far been unsuccessful. Both parties agree that the stakeholder process is essential to resolving our differences.

Canada and the U.S. have decided to appoint two prominent citizens, one Canadian and the other American, who will report to the Prime Minister, Minister of Foreign Affairs, and Minister of Fisheries and Oceans in Canada, and to the President and Secretary of State in the United States, to undertake an effort, through consultation with all interested parties, to find the most effective way to reinvigorate the stakeholder process. The goal of the stakeholder process is to resolve the differences over the interpretation and implementation of the objectives of the Pacific Salmon Treaty. The two representatives will act as a resource to the stakeholders in that process and report periodically to the Ministers and the Secretary of State. The objective is to move this process quickly enough to make a positive difference in the 1998 salmon fishing season.

Canada and the U.S. have also agreed to open a channel between senior fisheries officials to provide early warning of operational problems between our respective fishing interests.

Statement

97/28

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI
MINISTER FOR INTERNATIONAL TRADE
AT THE 4TH WORLD
CHINESE ENTREPRENEURS' CONVENTION

VANCOUVER, British Columbia
August 26, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Thank you Raymond. I know that as Secretary of State for Asia Pacific and as a leader in this community, you must find it very rewarding that Vancouver is hosting the 4th World Chinese Entrepreneurs' Convention.

I regret that time does not allow me to congratulate all of the people who have made this event so successful. However, I would like to thank Milton Wong, the Chairman of the convention, as well as Dr. David C. Lam.

A former lieutenant governor of British Columbia, Dr. Lam commands tremendous respect in the province. His life is a testament to what Chinese Canadians have achieved in our society.

I would also like to thank Canada's agency for Western Economic Diversification for sponsoring today's luncheon and inviting me to speak.

I am very pleased to be here today to welcome you. I hope that your schedule will permit you to discover the beauty of this spectacular city and of our great country, and the warmth of our people - qualities that make us proud to be Canadian.

As many of you know, our prime minister, Jean Chrétien will also address this convention in a few days. So you have a pretty good idea of how important the World Chinese Entrepreneurs' Convention is to Canada.

I am especially proud of how British Columbia's Chinese community has collectively welcomed you to our country. Vancouver's historic Chinatown district certainly rolled out the red carpet last night at the first-ever Chinatown Festival. The bustling market, cultural performances, and parades were a colourful display of this city's Asian dimension.

As the son of Italian parents, I certainly understand and appreciate very well the important contribution that immigrants make to our society.

All my life, I have witnessed how the personal and family ties of Canada's 1.5 million Italian-Canadians have built and maintained strong and enduring political, commercial and cultural ties between Canada and Italy.

We are especially mindful of our connection to Italy this year, as Canada celebrates the 500th anniversary of the arrival of this first European explorer to Canada, Giovanni Caboto.

However, as I am sure Raymond would remind me, both our cultures had a hand in Canada's early beginnings. Caboto came upon this land by accident as he searched for a new trade route to what was then referred to as "the Orient." In fact, when Caboto first went ashore in Newfoundland, he thought he was in North East Asia.

In defence of Giovanni Caboto, you could say that rather than making a slight navigational error, he, in fact, brilliantly predicted a future trend.

New arrivals from Asia have had a significant impact on Canadian society. Immigration statistics tell the story. In the 1950s, 80 per cent of all immigrants were from Europe. Today, more than 60 per cent of immigrants are from Asia. Chinese is now Canada's third most spoken language after French and English — followed closely by Italian I might add.

This trend has not only enriched Canadian society, but has created strong bonds across both the Atlantic and Pacific oceans. This year, which is Canada's Year of Asia Pacific, we are celebrating our Pacific identity and putting special emphasis on strengthening our ties to the region.

We recognize that the language skills, family ties and cultural knowledge of our two million Asian Canadians are valuable economic assets. In fact, we should, and will, harness this tremendous competitive advantage much more than we have.

I understand that site visits later this week will take convention delegates to Surrey and Richmond. You will see in these communities a shining example of how Asian Canadians have injected their entrepreneurial spirit into Canada's economy.

The simple truth is that, for many, Canada remains an undiscovered country. But I know that if you travel this country and consider Canada's advantages, you will be impressed.

The first bond of Canadian nationhood was a transcontinental railway built across this huge and rugged country in the 19th century.

To remain competitive, Canadians have had to continually find new and better ways to move goods quickly, cheaply and safely in all kinds of weather. Today, we produce the most automated light-rail and subway vehicles available. Canadians specialize in flight simulation, air traffic control, diagnostics and pilot training.

In 1857, the world's first oil well was drilled in the Canadian community of Oil Springs, Ontario. Today, Canadians have designed, built, and now operate a huge network of pipelines — including the world's longest petroleum pipeline and a natural gas pipeline that supplies 45 per cent of North America's natural gas needs.

Our communications networks are unsurpassed in their capacity to move and process information. One need only look at a map to see how we have had to overcome challenging geography and climatic extremes.

Our systems now provide a wider array of services to a broader band of customers than is available in any other country in the world. Virtually every home in Canada is connected.

This should come as no surprise when you consider that Canadians have been setting the pace in these industries for more than a century. The very first telephone call was placed in Canada by our own Alexander Graham Bell, the inventor of the telephone.

Canada's telecommunications breakthroughs have coincided with advances in information technologies, ranging from software to digitalized animation.

I know that Asia's rapid economic development and increasing urbanization have placed high demands on air, land and water resources. Many Canadian companies are already participating in joint ventures with Asian firms to transfer environmental technologies.

In food production and processing, Canadian firms span the market from breeding stock and cooking oils to smoked salmon. One local company, Pacific Western Brewing, based in Chilliwack, produces Japan's third most popular beer, behind only Budweiser and Heineken. And if you haven't yet, I encourage you to sample our ice wine, which has helped make Canada as famous in Asia as it has in Paris.

Our government has worked hard to create the right conditions for the private sector to prosper and create jobs. Just four short years ago, the country was in economic decline, its public finances seriously weakened. Increasing amounts of our wealth were going towards paying off debts to foreign lenders. Our \$42 billion deficit was pushing interest rates up and killing jobs.

Our government has consistently met or bettered our deficit reduction targets. We have restored confidence in Canada and recaptured our economic sovereignty. By 1998-99, our deficit will be less than \$9 billion and we will have achieved this remarkable result through reduced spending – not tax increases.

Controlling government deficits has helped to control inflation and that has improved our competitiveness. Domestic unit labour costs have risen less than 4 per cent since 1990, compared to a 16 per cent increase in the United States. Increased competitiveness is also boosting our trade performance. In 1996, Canada's merchandise trade balance hit a record surplus of \$34 billion.

The World Economic Forum ranks Canada fourth in the world for international competitiveness – up from eighth last year – and the Economist Magazine's Intelligence Unit ranked Canada fifth in the world as a "business-friendly" environment.

As well, the International Monetary Fund expects the Canadian economy to lead all G-7 nations in economic growth in 1997 and 1998.

And something we are very proud of is that for the last four years, the United Nations has ranked Canada's quality of life the best in the world.

As international investors, you will also appreciate that Canada also offers access to the world's richest market - the United States. Canadian-based businesses have tariff-free access to the U.S. and Mexican markets through the North American Free Trade Agreement. This represents unequalled access to a market of 386 million people.

These factors combine to make Canada an excellent place to do business. Take the example of Glenayre Technologies, a worldwide provider of telecommunications equipment and software. The company was founded in Vancouver but sold its manufacturing business and corporate name to a U.S firm based in the United States.

Ninety-five per cent of what Glenayre produces in Canada is exported, with almost one third going to Asia Pacific alone. Their sales have increased from \$93 million in 1991 to \$390 million in 1996. Today, more than half the world's pagers are activated by Glenayre equipment.

Canada's pool of highly skilled workers has proved an asset in helping them manage this phenomenal growth: since 1994, Glenayre has hired more than 400 new employees at its Vancouver office, bringing their total staff to 900.

To maintain their success in operating from Canada, Glenayre will break ground in September on a new \$25 million office and manufacturing complex that will also house the corporation's main research and development centre.

I encourage you to stop by and see representatives of my department at their information booth here at the convention to find out more about investing and doing business in Canada. I also invite you to witness a demonstration of "live interactive multimedia by satellite" presented by Canada's Communications Research Centre.

With our small population spread over a vast geographical distance, we have become world leaders in sophisticated and efficient infrastructure. Canadian companies across the country are linked by rail, truck, marine and air services to markets around the world.

Once again, don't just take my word for it. Take part in the site visits and see for yourself.

You will tour Vancouver International Airport's new \$456 million state-of-the-art terminal, as well as BC Ferries – one of the largest, safest and fastest ferry systems in the world. You will also tour Deltaport, the new container port that just opened in June.

If you visit the University of British Columbia or Simon Fraser University while you are here, you will get an idea why Canada also has a well-deserved reputation for being an attractive place in which to study.

For those of you considering sending your children here, I can assure you that international students speak glowingly of Canada's safe and clean surroundings, its high quality of education and the friendly welcome they receive from Canadians.

Canada markets education as aggressively as possible. That is why we have created a network of Canadian Education Centres throughout Asia Pacific.

You may be interested to know that by 1995, Hong Kong and China together sent 5000 students to study in Canadian universities.

We recognize that our international students will be the next generation of political and business leaders. Studying in Canada means enhanced understanding between peoples and countries – culturally, politically and economically. International students help create important and modern bridges between our countries.

Finally, I would like to encourage everyone to participate in the Toronto itinerary of the World Chinese Entrepreneurs' Convention that will take place later this week.

As a matter of fact, I want to warn you that our Chinese-Canadian communities have become a matter of civic pride in Canada. So, tread lightly around this subject.

Last year, during a Committee meeting in the Canadian Senate on Canada's Year of Asia Pacific, a somewhat vigorous debate arose between a Senator from British Columbia and a Senator from Ontario over which city – Vancouver or Toronto – had the largest Chinese population. John Bell, the Ambassador for Canada's Year of Asia Pacific, had to referee the dispute and check the numbers.

It turns out that Toronto has the larger Chinese population in absolute numbers. Vancouver, on the other hand, may have a smaller number of Chinese people, but they make up a larger percentage of the city's total population. You will be relieved to know that this answer satisfied everyone and peace was quickly restored.

Have a great convention. Thank you.

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Statement

97/29

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI
MINISTER FOR INTERNATIONAL TRADE
ON THE OCCASION OF
THE NORTHSTAR TRADE FINANCE LUNCHEON

TORONTO, Ontario
August 28, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Good morning ladies and gentlemen:

I am very pleased to be here today to help celebrate the Royal Bank's announcement of support for Northstar Trade Finance. I applaud the Royal Bank and the Bank of Montreal for their commitment to help small and medium-sized exporters succeed internationally.

Today's celebration is all about co-operation. Co-operation between two of Canada's largest financial institutions. And co-operation between government and Canadian business.

In short, it is the essence of Team Canada.

I congratulate Northstar's President, Scott Shepherd, for his outstanding efforts to bring together a winning partnership between government and banks. It is in good part through his tenacity and entrepreneurial vision that Northstar is such a success.

Helping smaller businesses is one of my priorities as Trade Minister.

One in three jobs in Canada and more than 40 per cent of our gross domestic product are directly dependant on exports.

And yet, Canada's top 50 exporters account for almost half of our total exports. Fewer than 10 per cent of small and medium-sized businesses in Canada are taking advantage of opportunities in international markets.

When you consider that most new jobs in Canada are created by smaller businesses, it is clear that we need to get more of them exploring new markets.

We need to transform our trading culture to harness the potential of the full spectrum of Canadian enterprises.

In this regard, it was encouraging to see that more than half of the participants on last January's Team Canada mission were from small and medium-sized companies – up from about one third on previous missions. In fact, of the 73 business deals reached in Korea alone, more than two thirds were signed by small and medium-sized businesses.

That is why it is critical that we provide small and medium-sized companies with the tools that they need to succeed – the tools that will help them expand their business into new markets without jeopardizing their bottom line.

And one of these tools is readily available export financing and insurance.

Last year, Canadian companies did more than \$22 billion worth of business in world markets with Canada's Export Development Corporation [EDC] as their partner. More than 85 per cent of EDC's customers are small and medium-sized companies.

While these results are encouraging, we have long recognized the need to do more. Three years ago, the government and financial institutions sat down to examine how best to increase export financing support for smaller exporters.

The most promising outcome of these discussions has been the dynamic new partnerships that have been established between the banks and EDC. Built on risk sharing, these partnerships fill gaps in the financing market.

Some transactions are just too small for larger institutions to service efficiently. Northstar is clearly filling an important market niche.

But don't just take my word for it; Scott Shepherd has a compendium of testimonials to prove it!

I am particularly pleased to see that Northstar's financing has spurred exports largely to the high-growth emerging markets that are so important for Canadian companies for the future. For instance, while some 15 per cent of Northstar's financing has supported exports to the United States, Mexico also accounts for 15 per cent, and Asia Pacific about 30 per cent.

I know as I begin to travel across the country, that I will be able to talk about Northstar as a shining example of how risk-sharing partnerships can be successful.

It is this partnership that will help Canadian companies to take on the world and win.

We must continue to work together - to help reach our goal of doubling the number of active exporters by the year 2000 - It is clear that we can do more and do it better, and this is something I am committed to achieving.

Northstar's laudable co-operative effort is a testimony to the entrepreneurial spirit alive in this great country. After all, Canada truly is, within the galaxy of countries, a northern star, and I encourage more banks to join in and make that star glow even brighter.

Thank you.

Statement

97/30

JOINT STATEMENT BY

DAVID LEVY,

FOREIGN MINISTER OF ISRAEL

AND

LLOYD AXWORTHY,

FOREIGN AFFAIRS MINISTER OF CANADA

OTTAWA, Ontario
September 3, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Canadian Foreign Minister Lloyd Axworthy and Israeli Foreign Minister David Levy met today in Ottawa to discuss a broad range of issues of mutual concern and to reaffirm the strong bonds of friendship between Canada and Israel.

The Ministers reviewed bilateral relations and expressed their hope that businesses in both countries would take advantage of the opportunities created by the Canada-Israel Free Trade Agreement. They also explored other areas where bilateral consultations between the two countries could be fruitful. Mr. Axworthy described to Mr. Levy developments in the landmine negotiations in Oslo under the Ottawa Process. Mr. Levy's invitation to visit Israel was welcomed by Mr. Axworthy.

During their meeting, the Ministers agreed that for the Middle East Peace Process to succeed there must be a sustained effort to combat terrorism. Mr. Axworthy reiterated Canada's commitment to international and domestic efforts to fight terrorism, including measures to curb fund-raising in Canada for terrorist purposes.

The Ministers also discussed other aspects of the Peace Process, including settlements and the refugee issue, in light of Canada's role as Chair of the Refugee Working Group. Mr. Axworthy underlined his continued concern about the serious economic situation in the West Bank and Gaza Strip and welcomed the recent steps taken by Israel to ease economic measures imposed on the Palestinians. Mr. Levy noted that Israel was striving to promote the Palestinian track of the Peace Process. Finally, the Foreign Ministers discussed the importance to the Peace Process of the visit of U.S. Secretary of State Madeleine Albright to the region next week.

Statement

97/31

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI
MINISTER FOR INTERNATIONAL TRADE
AT THE
INDUSTRY FEDERATION LUNCHEON

BELO HORIZONTE, Brazil
September 9, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Dr. Salej, Ambassador Stiles, distinguished guests, ladies and gentlemen, *querido amigos*.

Let me begin by thanking the Industry Federation of Minas Gerais for hosting this beautiful luncheon.

E um grande prazer estar aqui com voces em Belo Horizonte, que lugar maravilhoso.

I am delighted to be back in Brazil and to visit Belo Horizonte – a city which is fast becoming one of the pre-eminent economic centres of this region. And it is easy to see why *Business Week* magazine has called Minas Gerais "the new business Mecca."

So it is a great pleasure to be with you and to celebrate the wonderfully close relationship between Brazil and Canada. But, like any friendship, we must renew and refresh our relationship from time to time, and I welcome this opportunity to meet with you today.

I am very pleased that our colleagues from Industry Canada are also here today, as part of an environmental mission. This completes the circle for me, because when I was last in Belo Horizonte, it was as Environment Minister, and I had the opportunity to meet with Governor Eduardo Azeredo and to witness the signing of a memorandum of understanding between this Federation and the Canadian Environmental Industries Association.

This afternoon, we will witness the signing of another important agreement, between your Federation and Wintec Energy Management Corporation of Toronto.

It is very encouraging to see how the collaboration between Brazil and Canada has progressed since our last visit here, and I am sure that this is just the first of what will be many significant initiatives in the environmental field.

Today, we also celebrate the *Canada nas Gerais* festival, which began last week. This magnificent festival showcases not only Canadian businesses and technology, but also the rich diversity of Canadian culture.

If you haven't had the opportunity to take in some of the exhibits, I hope you plan to do so. There are a number of exciting events planned – everything from a beef cattle auction to a workshop on tourism in Canada.

The presence of over 200 Canadian companies at this festival testifies to the fact that Canada is committed to this region and understands its enormous economic potential.

One of the most exciting trends in the world today is the expansion of freer trade. Around the world, barriers are falling

down, markets are opening up and opportunities are being created that were simply unimaginable just a few short years ago.

With expanded trade comes many benefits. Certainly it means jobs — good jobs. Trade also means more economic opportunities for those with vision and daring. But trade means something else as well.

Trade breaks down walls that divide us and creates common interests that unite us. It invites us to see one another not as strangers but as partners; divided, perhaps, by geography, but united by common goals and a common future.

And so today I come to Brazil to encourage more trade and investment in a co-operative effort to build that future.

As you know, Canada is a trading nation. With a large territory and a relatively small domestic market, we have had to look outward to find markets for our goods and services. Today, nearly 40 per cent of our GDP [gross domestic product] is generated by exports and one in three jobs in Canada is directly tied to trade.

It is not surprising, then, that Canada should be at the forefront of trade liberalization around the globe. Through our experience with free trade agreements with the United States, with Israel and with Chile, and the North American Free Trade Agreement with the United States and Mexico, we have seen first-hand the benefits of freer trade.

We also know from experience that adjusting to freer trade is not always easy, but that the overall benefits far outweigh the costs.

Above all, we believe that a transparent, rules-based trading system is of benefit to all of us, as it both stimulates trade and makes it more secure. It also encourages investment and facilitates the transfer of technology.

That is why we remain committed to the goals of the Miami Summit.

A Free Trade Area of the Americas [FTAA] is an idea whose time has come. In 1994, in Miami, it seemed a distant dream; but now countries across the hemisphere are preparing to launch negotiations that will bring it closer to reality.

In this regard, Canada sincerely hopes that the U.S. Congress provides President Clinton with fast-track authority, which will ensure full U.S. participation. Negotiation of an FTAA will not be an easy road to travel. But we must continue to keep our shoulder to the wheel and maintain the momentum we have developed to date.

Canada is also eager to forge closer links with Mercosur, which we see as an important compliment to the Free Trade Area of the Americas. To that end, President Cardoso and Prime Minister Chrétien discussed the creation of a framework for enhanced trade, during the President's visit to Canada last spring.

In July, prior to the FTAA vice-ministerial meeting, Canada presented a paper that identified specific areas for increased co-operation. We look forward to receiving Mercosur's response to that paper.

Canada's commitment to Mercosur and to the FTAA can be seen as part of a larger transformation going on in our country. While our roots sprang largely from European soil, Canadians are increasingly identifying themselves with the family of the Americas. More and more, we are realizing that our future is tied to this region.

Of course, one of the engines driving Mercosur is Brazil, and Canada is committed to expanding our trade here.

Economic ties between us are strong – and growing. In 1995, Prime Minister Chrétien visited Brazil and, as I mentioned, Canada was honoured to welcome President Cardoso last May. Accompanying both the President and the Prime Minister on their respective visits were large contingents of business people – a clear indication of their recognition of the potential for partnerships between our two countries.

Many of those companies were small or medium-sized enterprises, which play such a vital role in creating jobs and generating growth. In Brazil, these companies are helping to develop a strong entrepreneurial spirit that will support and sustain a dynamic, trading economy.

Brazil and Canada are already major trading partners. In fact, Brazil is our most important trading partner in South America and our 10th worldwide. Last year, total trade between us was over two and a half billion dollars – up more than half a billion dollars from just two years earlier.

But impressive as these numbers are and as important as our trading relationship has become, we know that we are just scratching the surface – that there is an enormous amount of potential still unrealized.

And let me assure you, Canada is committed to seeing that potential fulfilled. To the already close bonds of friendship, we want to add the strong ties of commerce.

The Federation and the Chamber are doing wonderful work to forge those ties. Now I want to hear your suggestions on how we, as a

government, can help make it easier for companies in our respective countries to do business together. How can our trade commissioners, for example, work better with your organizations to enhance trade?

I welcome and I value your input on these issues.

Over the past few years, Brazil has undertaken many difficult economic reforms. It has not been easy, but look at the results! Privatization has opened up many key sectors, leading to lower costs and greater efficiencies. Business opportunities are increasing, inflation is declining and Brazil is leading the way among the emerging markets.

And Canadians have noticed. I am proud to say that Canada is now the seventh-largest international investor in Brazil, with total investments approaching \$4 billion. Some of our leading companies have demonstrated their confidence in and commitment to this market. Companies like Alcan, Nortel, Moore Business Forms, Newbridge and Seagram.

And our Export Development Corporation, Canada's official credit agency, has identified Brazil as one of Canada's five priority markets worldwide.

Many of the reforms undertaken by Brazil create specific opportunities for Canadian companies. Deregulation of the telecommunications and informatics sectors, for example, are two areas where Canada offers world-leading technologies. And exciting potential also exists in the energy and mining sectors.

Day after day, Canadian businesses are recognizing the potential of Brazil and investing their time and talent in its future. I mentioned Alcan a moment ago. This is now Canada's largest investor in Brazil, with annual revenues here of over \$750 million. Last spring, plans were announced to expand facilities in Sao Paulo, adding even more jobs to the 4500 they have already created here. Alcan is also investing \$100 million into its operations in the state of Minas Gerais.

Or take SHL Sytemhouse, which has made an investment of US\$15 million in Proceda Tecnologia e Informatica S.A., and in Andrade Gutierrez. The new company, Proceda Systemhouse, will be a major provider of information technology services in areas like networking, satellite communication and client servers.

Or Newbridge Networks, a leading Canadian high-tech company, which is expanding Embratel's high-speed digital network and playing a key role in the development of Brazil's telecommunications industry.

Trade is a two-way street. Not only do we want to sell to you, but we are looking to buy from you.

These companies are not isolated examples. More and more, companies in Brazil and Canada are recognizing the benefits and the opportunities in each other's markets and are forming mutually beneficial partnerships to develop them.

For Canadians, the attraction of Brazil is obvious: a population of 160 million people, a strategic location in a dynamic region and a GDP that's one of the top ten in the world.

For Brazilians, I trust the attraction of Canada is equally obvious: strong economic fundamentals, low interest rates, low inflation, a dynamic and diverse economy, world-leading technologies, an educated workforce, superb infrastructure, an excellent quality of life, and, of course, privileged access to the United States and Mexico.

As well, the International Monetary Fund expects the Canadian economy to lead all G-7 nations in growth this year and next. Little wonder, then, that the *Economist* magazine ranks Canada fifth in the world as a "business-friendly" environment.

And we Canadians are very proud of the fact that, for the last four years running, the United Nations has ranked Canada's quality of life the very best in the world.

When Brazilians think about international partnerships and exciting economic opportunities, we want a large red maple leaf to come to their minds!

I am confident that together, Brazil and Canada can form partnerships that will create jobs for our people and growth for our economies. I am confident that we can realize the vast potential that lies before us.

As I think about that task, I am reminded of a story that is told of the great French Marshall, Louis Hubert Lyautey. Marshall Lyautey once asked his gardener to plant a tree. But the gardener objected, arguing that the tree was slow-growing and would not reach maturity for many years.

The Marshall replied, "then we have no time to lose. Plant it this afternoon."

The full maturation of the Brazilian-Canadian relationship may still be years away. But we have no time to lose. Let us plant our trees today.

Muito obrigado. Thank you.

Statement

97/32

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY
MINISTER OF FOREIGN AFFAIRS
TO THE OSLO NGO FORUM ON
BANNING ANTI-PERSONNEL LANDMINES

OSLO, Norway
September 10, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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I am very glad to be able meet with you today. This occasion gives me an opportunity to affirm once again on behalf of the Canadian government our strong commitment to work with you, especially at this critical moment on the road to Ottawa in December and beyond.

Our meeting also affords me the opportunity to thank you and all members of the anti-landmine movement around the world who have played such a defining role in engaging public opinion and creating political will. I would like to take a moment here to pay special tribute to the work of the late Princess of Wales, whose contribution in creating worldwide awareness of the landmines issue was incalculable. She will be sorely missed and fondly remembered.

Along with the efforts of the Princess, it has been your work, the untold efforts of countless numbers of individuals, along with officials and numerous political leaders, that have brought us to this point – where a treaty incorporating over 100 governments from around the world is within reach.

We have come a long way in a short time, together. Late last year, when I called on governments to return to Ottawa in 1997, it is fair to say that there was more than a modicum of scepticism, and in many quarters downright opposition. Many said it could not be done.

But the sceptics and the critics could not sense what I did at last year's meeting – that a coalition of civil society and committed governments was coalescing around the movement to ban anti-personnel landmines. A coalition that had the power to change the dynamics and direction of the international agenda. The Cree Nation of my country have a saying: when a traveller asks "Where is the road?", the answer is "We must build the road together."

And that is exactly what we have done. Together, non-governmental bodies such as the International Campaign to Ban Landmines [ICBL] and the International Committee of the Red Cross [ICRC], an initial core group of countries – Austria, Belgium, Canada, Ireland, Germany, Mexico, the Netherlands, Norway, the Philippines, South Africa and Switzerland – and many others, have been building a new road.

Clearly, one can no longer relegate NGOs [non-governmental organizations] to simple advisory or advocacy roles in this process. They are now part of the way decisions have to be made. They have been the voice saying that governments belong to the people, and must respond to the people's hopes, demands and ideals.

Nor can one ignore the power and reach of new information technologies that allow the experience of Angola or Cambodia to be brought into people's living rooms. Technologies that give to

the private citizen, the civil group and the expert the capacity for communication and exchange of information quickly, cheaply and across huge distances. Videos, posters, fax campaigns, e-mail, conference calls and the Internet have all helped in the rapid co-ordination and transmission of key messages of the campaign.

These trends – the involvement of civil society and the information technology revolution – are the foundations on which a profound democratization of international politics is being built. We often hear of "globalization" in terms of a growing global network of trade and commerce. But this is another kind of "globalization" – the emergence of a global commons as a powerful force – which we see the evidence for here in Oslo.

These are encouraging developments. But I don't discount the difficulties and the complexities that lie ahead. We should not assume that the critics and opponents of the ban treaty have gone into hiding. Thus the engagement of civil society will take on even greater urgency and importance in the days and weeks ahead. If ever there was a need for full partnership, for solidarity of purpose, for flexibility and skill at finding the right words, it is now. So much depends upon it.

To quote Robert F. Kennedy: "Each time a person stands up for an ideal, strikes out against injustice, they send forth a tiny ripple of hope – and crossing each other from a million different centres of energy – those ripples build a current that can sweep down the mightiest walls of resistance."

Our experience in the landmines campaign should give us hope as we continue the struggle to limit and restrain the horrendous impact of human conflict. The nature of war itself is changing. Traditional inter-state warfare is becoming increasingly limited, yet the carnage of intra-state conflict is everywhere to be seen. As a result, the utility of war as an instrument of national policy is increasingly being questioned, now that civilian casualties make up the vast majority of all victims of conflict.

A ban on anti-personnel landmines is a primary response to the immorality of war. It demonstrates our unwillingness to accept a growing humanitarian crisis as some sort of inevitable by-product of the requirements of military strategy. Our success in mobilizing against landmines, above all of mobilizing international public opinion, should give us encouragement as we move toward the new millennium that further progress can be made in limiting the scourge of war. To paraphrase Bernard Baruch, if we can learn the ABCs, then the rest of the alphabet will follow.

But, before reaching too far, we must concentrate on the business at hand. There is still much work to do between now and December. The negotiations towards the treaty itself must be successfully

concluded in a way that results in a clear and unambiguous ban, early entry into force, the widest possible acceptance, and effective monitoring.

The humanitarian concern that motivated the Ottawa Process compels us to seek the earliest possible entry into force for the ban treaty. Thus the challenge is to mobilize governments not simply to sign the treaty, but also take the necessary steps to ratify it nationally as soon as possible.

We should also continue to encourage and applaud unilateral steps by those states willing to move faster – every anti-personnel mine cleared or destroyed is a mine that will not take a victim nor find its way into the ground. In this regard, I am pleased to announce today that the Canadian Minister of National Defence has informed me that the Canadian Armed Forces will shortly begin the destruction of the final one third of our national stockpiles of anti-personnel mines, to be completed no later than December this year.

The universalization of the new treaty will clearly present a number of special challenges. We must continue to find ways to engage hold-out states and non-state actors on this issue, building upon the valuable lessons we have learned over the past few years. The campaign to engage international opinion, be it public or governmental, cannot end when the treaty is signed.

On the third key aspect, monitoring of compliance with the treaty, I also see a broader role for NGOs. There are really two distinct but closely related challenges here.

On the one hand some signatories to the treaty, while politically committed to adherence, may lack the technical capacities to do so. Building the political will within other states to provide technical assistance, and taking concrete steps to deliver this assistance, is clearly a task that is well suited to the NGO community.

On the other hand there is the question of a "watch-dog" role for civil society in evaluating the compliance of states to the obligations they have signed. Canada, the ICBL, the ICRC and several of our core partners have consistently argued that a humanitarian treaty without traditional forms of arms control verification can be an effective response to the anti-personnel mine crisis. This implies that civil society can and will play an effective role in deterring and detecting willful non-compliance. I understand you have begun exploring here in Oslo how such a capacity can be developed. Canada is ready to work closely with you on this important issue.

Reaching an unambiguous, early, widely accepted and effective ban treaty will take much hard work on all our parts. And, as your

are of course aware, banning landmines is only one part of the equation. De-mining to rid the world of its present danger is an equally high priority – as is aiding the victims of landmines and restoring them to a productive life.

This is a key development issue – the rebuilding of societies, and the rebuilding of lives. Official programs of aid and development need to recognize these priorities and develop an enhanced, co-ordinated approach to humanitarian de-mining, victim assistance and rehabilitation. We must increase our efforts to build de-mining capacity in affected countries, to prevent needless landmine deaths and injuries. And we must increase our help to the thousands of disabled survivors of landmines, for whom the de-miners come too late.

Canada is already involved in a range of projects in this area. I outlined some of these last January, at Canada's first national conference on humanitarian de-mining and victim assistance. We fund de-mining programs from Bosnia to Angola to Cambodia, as well as victim assistance work by a number of universities and NGOs. The Canadian government is currently looking at ways we might reinforce our international and domestic role in support of humanitarian de-mining and victim assistance. Indeed, I call on all those governments that will be represented in Ottawa in December to undertake a similar review of measures they could take to support an action plan that could be announced at the conference.

These are just some of the challenges before us as we begin looking beyond the signature of a ban treaty in Ottawa this December. There are most certainly others.

I believe it was Bismark who said: "World history with its great transformations does not come upon us with the even speed of a railway train. No, it moves forward in spurts, but then with irresistible force." We may well now be facing one of those moments when history spurts forward, propelling humanity along with it. Such a moment deserves a pause, however brief, for reflection, before we find ourselves swept away by the course of events.

We need to ask ourselves, can we maintain and build upon the close and constructive working relationship that has developed between governments and civil society through the Ottawa Process? Can we maintain and build upon the incredible sense of political momentum that this unique relationship helped to create – offering hope to millions that an integrated and effective international response to the global landmines crisis is years and not decades away? Can we demonstrate that the Ottawa Process offers an effective, lasting model as a response to the changing nature of international conflict?

I believe that the answer to these questions must be a positive one. That is why the Ottawa Conference this December will be about more than signing a ban treaty. In parallel with the formal signature of the treaty, Canada will host a series of round-table meetings. Their purpose will be to create an Agenda for Action on anti-personnel mines similar to that developed during the first Ottawa landmines conference. An agenda that provides a clear vision of how, together, we can tackle the challenges ahead. I invite you to bring the many good ideas you have developed here in this forum to Ottawa in December.

Above all, I invite you to continue to work together with us to maintain the dynamism and spirit of innovation and co-operation that have become the trademark of the Ottawa Process. This spirit will, I believe, prove to be the harbinger of a new and positive approach, not only in our battle against anti-personnel landmines, but also in our broader efforts to reduce the toll of international conflicts in human suffering.

As the Cree saying would have it, there is no existing road before us — we must build it together. We have made a good start, but we still have some distance to go before we reach our ultimate destination: a world completely free of the scourge of anti-personnel landmines.

Thank you.

Statement

97/33

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI
MINISTER FOR INTERNATIONAL TRADE
AT THE
WORLD ECONOMIC FORUM

SAO PAULO, Brazil
September 10, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Ladies and gentlemen, *queridos amigos, boa noite, buenas noches.*

For Canada, the theme of this year's forum: "From Miami to Belo Horizonte to Santiago," suggests a journey with a sense of purpose and momentum. Above all, it is a collective journey, one that we have embarked upon together.

In the brief time allotted to me, let me offer four Canadian observations about this special journey.

First, like any journey, the first steps are often the most difficult.

While we should be under no illusions about the challenges before us, we should not allow them to overwhelm us either. We must believe in our final destination and stay the course.

Canada's experience with free trade — first with the United States and then with Mexico, Chile and Israel — has taught us that while growing pains are inevitable, the benefits are undeniable.

Freer trade has created thousands of jobs for Canadians, expanded our economy and increased the competitiveness of our industries. It is an undertaking we are pleased to have taken and one we are determined to continue.

Along the way, Canada has changed not only how we trade with the world, but also how we see ourselves in the world.

Our roots are planted deeply in European soil, and we have traditionally identified ourselves as a transatlantic nation. In recent years, however, we have been transformed through the development of strong ties with the world of Asia Pacific and, increasingly, with the Americas.

Canada is unmistakably a nation of the Americas and together we want to build a common destiny. Our investment here has soared. So has our trade. And our business community is increasingly bullish. Canada now exports, for instance, more to Latin America than we do to France and Germany combined.

We are also fortunate to have a dynamic Latin American community in Canada. Not only are they helping to shape and build a better Canada, but they strengthen and deepen our special bond to this region.

And so Canada's commitment to the journey is strong: the Americas represent one of our highest priorities.

We envision a prosperous and hopeful future for this hemisphere — a future united by trade, strengthened by commerce and energized by freedom.

Second, for the journey to be successful we will need rules that are transparent, clear and fair. We must not slip into the old ways of the old days, when might equalled right and the rules of the game were unknown. As well, broad participation by all segments of our society is absolutely vital. If our people cannot participate in the benefits of freer trade then they will not support the journey.

Toward that goal of a rules-based trading system here in the Americas, we support launching comprehensive negotiations for a Free Trade Area of the Americas [FTAA] next April in Santiago.

For this purpose, I remain hopeful that the U.S. Congress will recognize the benefits of conferring fast-track authority. I expect that the United States will demonstrate its commitment to freer trade in this hemisphere, and elsewhere. For we need their support and we welcome their partnership.

In the same spirit, Canada is also looking to develop a strong and dynamic relationship with Mercosur. We have already begun to explore avenues for such an arrangement and we will pursue these . vigorously in the months ahead.

Third, the journey must develop an esprit de corps: we must build a sense of community.

The liberalization of trade in this hemisphere is an undertaking that is both ambitious and historic. The FTAA will create the world's greatest trading region. But the benefits to come will extend far beyond the economic world. For history teaches us that trade leads to more openness. It breaks down the walls that divide us and creates common interests and common ground that unite us all.

Trade must especially benefit and reach out to today's youth, who are seeking and demanding a productive place in our economies. For them, the FTAA must bring a world of opportunities closer to their doorstep.

Finally, the timing of that journey has arrived. The FTAA is an idea whose time has come.

Our commitment cannot waver waiting for the "perfect time." There is no such thing. Instead, we must seize this moment -- this opportunity, this time -- and lay the foundation for the future.

In closing, as I think about our task, I am reminded of a story that is told of that great French Marshall, Louis Hubert Lyautey. The Marshall once asked his gardener to plant a special type of tree. But the gardener objected, saying that the tree was slow-growing and would not reach maturity for many years.

The Marshall was steadfast, and replied, "Then we have no time to lose. Plant it this afternoon."

Friends, *amigos*, the parallel for us could not be more clear.

Muito obrigado. Muchas gracias.

Thank you.

Statement

97/34

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI
MINISTER FOR INTERNATIONAL TRADE
TO THE APEC SME WEEK
BUSINESS FORUM LUNCHEON

OTTAWA, Ontario
September 18, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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It's great to be with you today and to welcome so many visitors to Canada. Over the past few years, Canadians have been warmly received by a number of APEC [Asia-Pacific Economic Cooperation forum] members, so it is appropriate that we are able to return that hospitality today.

I hope you enjoy your time with us.

Yesterday, you heard from Industry Minister John Manley. It's never easy to follow John — or as he's better known in Cabinet: Al Gore with an attitude. I mean, just look at this picture from yesterday's *Citizen* — how can you compete with that?

You know, I kid John, but he is doing a marvellous job as Industry Minister and I know his remarks yesterday were very well received.

We are delighted to host this week's event, which is, I believe, the largest in APEC's history. As you know, 1997 is the year of Asia Pacific here in Canada, so it is fitting that we should save the "best for last" with this important event.

One of the strengths of APEC is its partnership with the private sector. No other major trade body has an equivalent of our Business Advisory Council and no other trade body places such a premium on consultations with the private sector.

APEC understood from the outset that no one knows the impediments to trade or to the free flow of goods and services better than the people on the ground. You are the ones dealing with bureaucracies. You are the ones struggling to obtain information and access to capital. You are the ones who are pounding the pavement, trying to get a foot in the door.

So it only makes sense to enlist your experience and expertise as we try to expand the benefits of freer trade in Asia Pacific and around the globe.

Governments have learned a great deal from this partnership. One of the things we have learned is the importance of developing personal relationships in business dealings. Fax to fax will never replace face to face and that's why events like this are so important.

Not only can you meet with other business people, you can also meet with ministers and other government officials. I know that the Government of Canada welcomes this opportunity to exchange ideas because we need to hear directly from you about the barriers and challenges you face.

That is also why, at every APEC event held in Canada this year, there have been opportunities for the private sector to set the agenda and meet with ministers.

APEC is important to Canada, not only because of the strong ties we have to Asia Pacific, but also because we recognize the potential of that region to a trading nation like ours. More than any other G-7 country, Canada's economic health depends on trade. One out of every three jobs is tied to trade and 40 per cent of our GDP [gross domestic product] is generated by our exports.

Canada's experience with freer trade has been an extremely positive one. Through agreements like the NAFTA [North American Free Trade Agreement] and freer trade with Israel and Chile, Canadians have been encouraged to see the whole world as our marketplace.

As barriers have fallen down and markets opened up, Canadians have embraced these opportunities, transforming Canada into what *Time Magazine* has called "an exporting superhero."

As a result, our trade surplus has risen from \$6 billion to over \$30 billion in just four years. Our trade with the United States alone now amounts to more than \$1 billion per day!

And, should anyone doubt the connection between trade and economic performance, they need look no further than the fact that Canada is expected to have the highest growth rate and the best job creation record in the G-7 over the next year.

The simple facts are that freer trade has opened doors, created jobs and increased competitiveness. It has helped to re-shape the business culture. It has promoted greater economies of scale and improved product quality. It has encouraged us to pursue other markets around the globe. And it has demonstrated the benefits of freer trade to others around the world.

To be sure, the adjustments have sometimes been difficult, but Canada has emerged stronger, richer and more confident as a result. We know now that our products and services can compete with the best in the world.

It should not be surprising, then, that we would be such strong supporters of liberalizing trade around the world. We were delighted that APEC ministers were able to agree in Montreal to identify sectors for early liberalization. This is not an easy task, and our goal in November will be to present a list to leaders for consideration.

One of the things that we will also be looking at in November is how APEC can lend its support to the ongoing work of the World Trade Organization. Some areas, like the financial services negotiations, may need a bit of a push if they are to be brought to completion.

This is one of the great strengths of APEC – by creating consensus on issues, we can advance them on the world stage. Look at the momentum we were able to generate in the area of information technology last year – momentum that led to an important agreement at the World Trade Organization.

We know, however, that if we are to fully realize the benefits of liberalized trade, APEC members must continue to work at creating the conditions that will allow our private sectors to do what they do best: create jobs and promote growth.

In Montreal, we took an important step in that direction by launching a new database that gives SMEs [small and medium-sized enterprises] immediate access to tariff rates in different APEC economies.

But of course, freer trade is about more than just tariffs. We also need to make standards more comparable and we need to make customs more streamlined. Technology already exists that can link customs authorities and reduce clearance times from weeks to minutes.

This saves not only time, but money, and I am hopeful that the blueprint put in place this year will speed up customs clearance right across the APEC region.

Throughout this week, you will be looking at some of the other impediments to trade. Access to information and to capital remain major stumbling blocks, especially for SMEs. Let me just share with you some of the things we are doing here in Canada to try to remedy these problems.

One of the gaps identified for us by SMEs was in the area of financing and insuring smaller transactions. To fill this gap, our Export Development Corporation, Canada's official credit agency, teamed up with the Bank of Montreal to form Northstar Trade Finance, a company created to help small businesses export.

Since then, another of our major banks, the Royal Bank, has joined the team. This exciting partnership means that SMEs now have access to financing on the same terms as their larger competitors. And to date, 30 per cent of Northstar's financing has gone to SMEs pursuing opportunities in Asia.

Just yesterday, we launched another exciting project called ExportSource. This is a new Internet site that contains all the information SMEs could want on exporting. No more running from department to department – just a click of a button, seven days a week, 24 hours a day – because we believe that it's better to get information on-line from government, than to wait in line for government.

As I close, I am reminded of a story that is told by that great Irish poet, Frank O'Connor. O'Connor writes how, as a boy, when he and his friends would make their way through the countryside and come across an orchard wall that seemed too high to climb, they would take off their caps and throw them over the wall - and then they would have to follow them.

We have thrown our caps over the wall of freer trade and now we must follow them.

As we move forward with liberalizing trade - in APEC and elsewhere - we will face other walls. But I am confident that we can overcome any obstacle and defy any difficulty, if we work together.

So let us climb those walls together, confident that we will emerge stronger, freer and more prosperous on the other side.

Thank you.

Statement

97/35

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI
MINISTER FOR INTERNATIONAL TRADE
ON THE OCCASION OF
THE DEBATE ON
THE SPEECH FROM THE THRONE

OTTAWA, Ontario
September 25, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Mr. Speaker, I am pleased to take part in this debate on the Speech from the Throne.

Our government has presented a comprehensive agenda, one that speaks to the basic values of Canadians — ensuring opportunity for all members of society and all parts of the country; creating jobs, especially for our young; ensuring universal quality health care; providing every child with a fair chance in life; and maintaining a united country that is able to fulfil these values.

As the Speech from the Throne outlined, Canada's ability to trade with, and draw investment from, all parts of the world is essential to that agenda.

With regard to international trade, the Speech from the Throne addressed four key elements.

The first outlines the important role trade plays in the economic life of Canada.

Most important, it is crucial to jobs. One in three jobs in Canada is directly tied to trade, and 40 per cent of our gross domestic product is generated by exports. Canada's sales abroad come to more than a quarter of a trillion dollars. And every billion-dollar increase in trade creates or sustains 11 000 jobs.

The advantages of trade spread to every part of our economy and touch every Canadian — whether it be a farmer growing wheat or an engineer designing tractors; a factory worker producing aircraft or a supplier providing aircraft parts.

We are all touched by trade, and we all share in its benefits. Around the world, barriers are falling down, markets are opening up, and opportunities are being created that were unimaginable just a few short years ago.

Secondly, the Speech from the Throne underscores that to take full advantage of our opportunities, we must expand our trade base.

To do so, governments must work better and smarter, and forge closer partnerships with our business community.

But expansion means that small business must play a greater role in global trade. They must become a more integral part of our global trade strategy. Currently, only 10 per cent of Canada's small and medium-sized businesses export. While Canada is an exporting nation, we have not been a nation of exporters. Fifty corporations account for 50 per cent of our exports. Our goal is to double the number of companies exporting by the year 2000.

And to be successful in that goal, it will mean harnessing the energy and talent of women entrepreneurs. One third of Canadian firms are now owned or operated by women — firms that are

providing jobs for nearly two million Canadians. Moreover, women CEOs are creating jobs at a rate nearly four times the national average. This is a track record we cannot ignore because it is creating benefits we cannot forego.

That is why in November, I will be leading the first Canadian Businesswomen's International Trade Mission to Washington, D.C. We expect more than 100 women entrepreneurs and executives will join us in exploring the lucrative \$11 billion mid-Atlantic market. This mission will include new entries to the export field and experienced exporters who will perform a mentoring role.

The cultural and educational community must be part of the team, marketing products that generate wealth and jobs — and that bolster Canada's image in the world and Canadians' pride in themselves.

Mr. Speaker, utilizing the capacity of our modern economy, and the diversity and strength of our citizens, the entire world must be our market. We are building on our transatlantic heritage to Europe, and our close links with the United States. We are a Pacific nation as well; and our view of the Americas does not stop at the Rio Grande.

Canadians have links to every part of the world. People trade with countries they feel most comfortable with, in languages they speak and in cultures they understand. That is one of Canada's biggest advantages — no part of the world is alien to us.

Mr. Speaker, more than anything else, the Team Canada missions have demonstrated these strengths and are broadening the spectrum of Canadians involved in global trade. Large as well as small and medium-sized businesses, women, Canadians of all origins, provinces, municipalities, and educational institutions are all part of the team — giving Canadians a stake in every part of the world, and every part of the world a stake in Canada. I am confident that the next Team Canada voyage to Latin America in January will continue this winning tradition and will promote the formula that Canada works best when Canada works together.

The third point raised by the Speech from the Throne is that we must devote the same kind of effort to attracting investment as we do to stimulating trade.

Direct foreign investment in Canada increased by 8 per cent last year, reaching \$180 billion.

Investment provides Canadians with capital and R&D [research and development]. As well, strategic investment alliances help small and medium-sized firms cross the threshold from regional producer to global exporter.

Ultimately investment generates jobs. Every billion dollars' worth of investment creates or sustains 45 000 jobs over a five-year period. At the same time, the Multilateral Agreement on Investment we are negotiating will provide us with a secure and stable framework of rules for Canadians investing abroad.

To promote more investment in Canada, we must be more aggressive in promoting Canada to the world. The world is growing ever more competitive every day. As more countries industrialize, we cannot assume that our share of global investment will remain constant. That is why it is a priority for me to put forward the case for Canada – and to remind people that the country that the UN found to be the best place to live is also a great place to work and invest.

Finally, the Speech from the Throne emphasizes the leadership role that Canada plays, and must continue to play in liberalizing trade around the globe.

Freer trade has been positive for Canada. Over the past few years, our export figures have increased exponentially. It is no accident that Canada is expected to record the highest growth rate and job creation rate of all G-7 nations in both 1997 and 1998.

We can attract investment and promote trade so long as we are dealing in a transparent rules-based system of law. That ensures nations like ours the opportunity of equal treatment with larger trading partners. Rules are the equalizer – and that is why Canada must help write the rules. Whether it is the successful Canada-U.S. trade relationship, the largest the world knows, or whether it is helping set the agenda of the World Trade Organization, this rules-based system has allowed us to reduce barriers to trade while promoting our vital interests.

We are helping to draw closer together the countries of Asia Pacific, a region that includes the world's fastest growing economies. Last year, the Prime Minister signed an Action Plan with the European Union that speaks to a strong and dynamic future, rather than simply resting on past glories. Canada is also championing the Free Trade Area of the Americas, and is seeking a closer relationship with Mercosur.

Three years ago in Miami the concept of the Free Trade Area of the Americas seemed a distant dream. Three weeks ago in Brazil, I became more confident than ever that a hemispheric trade agreement is closer to reality.

It is absolutely vital that Canada continues to look outward. If the world moves without you – and make no mistake, the global march is on – who gets left behind?

The world has experienced protectionism, and suffered through its consequences. The protectionist rage, which snapped a golden age of trade in the United States in the 1930s, turned a severe recession into the Great Depression.

The world learned from this dark lesson, leading to Bretton Woods and the creation of an international rules-based trading system. Canadians know we cannot build a fortress and lock ourselves inside. Neither is our goal freer trade at any cost. We must always preserve and promote the values and traditions Canadians hold dear.

Mr. Speaker, trade and investment are simply not a matter of crunching numbers and posting figures. Trade's bottom line is people. And their bottom line is jobs, it is the revenue we need to maintain our quality, universal health system. It is the national wealth we need to secure a good start for all Canadian children, to provide opportunities for Canadians in all parts of our country.

Canada has rare strengths and enormous potential. We are confident and competitive. In the world of global trade and investment, Canada has come of age.

Thank you.

Statement

97/36

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY
MINISTER OF FOREIGN AFFAIRS
TO THE 52ND SESSION OF
THE UNITED NATIONS GENERAL ASSEMBLY

NEW YORK, New York
September 25, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Mr. President:

I come to the Assembly this year with a sense of urgency and an abiding belief that we are now emerging not only from the shadows of the Cold War, but also from the uncertainties of its aftermath. Around the world, and here in New York, we see countless examples of the basic principles and the overall vision of the UN Charter being put into practice. The people of the world are laying the foundations of a new international system for the new millennium.

I hasten to recognize that no part of the world is without its burdens of conflict, grief and personal suffering. Nor are there signs of relief from the additional and growing burden of global economic inequities. What has changed, however, is the new international willingness I sense to face the issues, to mobilize political will and to launch reforms. There is a sense, not of helplessness, but of hope. The old realities of power have not disappeared, but alongside them have appeared new forces, new coalitions, and new ways of doing business, and they are impatient. As we have seen in recent days, one person's vision and extraordinary generosity can make a difference and stand as an inspiration to all of us.

UN Reform

This new spirit should begin right here at the UN, where the Secretary-General has proposed a serious and far-sighted set of reforms. Canada strongly supports these proposals and accepts them as a package. They promise not simply greater efficiency, but greater effectiveness. Based on our experiences in Canada, I can say with some authority that budget cutting by itself is not the answer. There must be serious structural change to modernize existing institutions, both national and international, that were formed in the postwar period.

Any attempt at structural change must first recognize the changes the UN itself has undergone since its foundation. It has grown to be a truly global body of 185 members. Within that 185, democracies are now in the majority, leading to a growing convergence of values and interests. The old ideological rivalries and schisms that separated us are disappearing, replaced by issue-based coalitions built around shared interests and beliefs.

To undertake reform in these changed circumstances requires solutions based on agreement and co-operation. Solutions cannot be imposed by one party or country, but rather must be inspired by a spirit of openness and innovation. In other words, we must establish a new compact among UN members to set the UN on a sound financial footing.

As the new President of the UN General Assembly, Ukrainian Foreign Minister Hennadiy Udoenko has said, we are at a

watershed — a defining moment for the organization, that can either provide new momentum or stall our advance. The direction we take is ours collectively to decide, and the outcome in all our hands. We must not waste this opportunity.

The Campaign to Ban Anti-Personnel Landmines

Another defining moment, I believe, took place just over a week ago in Oslo. Ninety nations, spurred on by the efforts of the NGO [non-governmental organization] community, agreed on the text of a treaty banning anti-personnel landmines. This paves the way for the treaty to be signed this coming December, just 14 months after it was first conceived.

While visiting Oslo, I was forcibly struck by how what has become known as the "Ottawa Process" demonstrates the changed character of world affairs. Above all, it shows how the breakdown of the old bipolar world affords new opportunities for civil society to influence multilateral diplomacy. The focus of this process is a weapon that slaughters countless civilians, a weapon that has lost much of its military utility, whatever some may say. This illustrates the growing feeling, coming from the grass roots of civil society, that the engines of war designed for the 20th century have no place in the 21st.

This is not the only example of this new grass-roots activism that points to the emergence of a global commons as a powerful positive force of globalization. Canadian women, appalled at the treatment of their sisters in Afghanistan, have started a letter-writing campaign. I will be delivering some 5000 letters to the Secretary-General, which call on him to take the lead in exposing gross human rights violations of the women of Afghanistan as unacceptable in the eyes of the world's citizens.

The effectiveness of this new approach can be clearly measured. Nations from every region of the world have pledged to sign on to a complete ban on the stockpiling, production, export and use of anti-personnel landmines. We hope to see more join our ranks between now and December, and thereafter. For those who are still on the sidelines, we ask you to think hard and deep on this issue. Your engagement is crucial. By joining us, already the majority of UN member states, you can help to rid the world of this most inhumane of weapons.

As proof of its own commitment to the process, Canada recently declared its intention to destroy unilaterally its remaining stocks of anti-personnel landmines before signature of the treaty. We will also shortly ratify the Amended Protocol II of the Convention on Certain Conventional Weapons.

The treaty constitutes a promise to future generations. But it does not resolve the equally grave problems posed by mines

already in the ground, nor address the plight of those who have experienced or will experience directly their dreadful effect.

Following the signing of the treaty, the international community will have an obligation to develop policies for an enhanced and co-ordinated approach to humanitarian de-mining, and to victim assistance and rehabilitation. This is as much as anything else a development issue. Heavily mined areas cannot pursue economic development until they have been de-mined; and de-mining is a hopeless, Sisyphean task if there is no treaty to prevent the laying of new mines.

At Ottawa in December, we will therefore be inviting nations to engage in a second phase of the campaign: a broad mobilization of groups and countries to tackle the aftermath of the landmines crisis. It is a monumental task, to be met only through the combined action of all states. We invite you to join us. The generosity of private citizens like Ted Turner and the commitment of those like Princess Diana must be matched, indeed surpassed, by the governments of the world.

The Changing Face of Conflict

What is behind this willingness to tackle old problems in a new way? What has brought us to the intersection of high hopes, new strategies, and real ability to affect change exemplified by the landmines campaign? To my mind, these developments, and above all the recognition of the need to adopt new approaches to international problems, are in part a response to the changing face of war.

In the second half of the 20th century, we have witnessed one type of conflict become increasingly prevalent. These are wars fought within, not between, states; wars that tend to be long and bitter; above all, wars in which civilians suffer the most, and children and women are often deliberately targeted. These are wars in which, as Saint-Exupéry put it, the firing line passes through the hearts of people.

As this type of war increasingly accounts for the great majority of all conflicts, the distinctions that once informed the work of international diplomacy – between military security concerns and humanitarian or civil concerns – break down. This blurring of the lines, along with heightened media presence, has strongly affected international public opinion. Fewer and fewer people are willing to view war as an acceptable instrument of state policy.

The Concept of Human Security

In the light of these changes, the concept of human security, which I highlighted when I addressed this Assembly last year, takes on a growing relevance. It is based on the premise that it

is not enough to spare people from the "scourge of war" narrowly defined. Ensuring true, sustainable human security means tackling other severe threats:

- the unmet needs of more than a billion people living in poverty;
- attacks on the human rights of individuals and groups within society;
- transnational threats such as crime and terrorism; and
- threats to health and livelihood through depletion or pollution of natural resources.

The problems of the world will not wait for us. It is urgent that we take action to prevent or reduce the incidence of conflict, to restore societies in its aftermath, and to increase human security.

The priorities for action can, in my view, be grouped under three main headings:

- addressing issues that cut across traditional boundaries between areas of concern, as we have in the landmines ban campaign;
- identifying and addressing the root causes of conflict; and
- improving our ability to respond to crises when we cannot prevent them.

Addressing Cross-Cutting Issues: Small Arms

Landmines are not the only complex, cross-cutting problem to be addressed if we are to reduce or prevent conflict. All too often it is small arms, rather than the weapons systems targeted by disarmament efforts, that cause the greatest bloodshed today. In the hands of terrorists, criminals and the irregular militia and armed bands typical of internal conflict, these are true weapons of mass terror. As with landmines, their victims are all too often civilians. In addition, small arms proliferation undermines the security and development efforts of many developing countries.

First steps in tackling this problem are to counter illicit trafficking in firearms, and to bring greater transparency to the legal exportation of small arms. The OAS [Organization of American States] is currently working towards an Inter-American convention on illicit trafficking of firearms. Canada hopes that the OAS negotiations will not only result in an effective

convention, but also inspire other regional bodies to address this issue.

We welcome the recent report of the UN Panel of Governmental Experts on Small Arms, and discussions within the UN Disarmament Commission on disarming combatants as a step towards lasting peace. These should serve as the launching pad from which to develop practical measures, in consultation with regional bodies, different levels of government, and civil society. It will take truly innovative and co-operative efforts to reduce the toll taken by small arms, but we cannot allow ourselves to be deterred by the difficulty of the task.

Terrorism, transnational crime and international drug trafficking are other challenges that do not respect national boundaries. They cannot be solved by countries acting alone, nor by using traditional measures. Important steps in tackling these challenges collectively will be the implementation of the UN Declarations on measures against international terrorism, an early and successful outcome to negotiations on the convention on terrorist bombing, and a productive UN Special Session on Drugs.

Attacking the Causes of Conflict: Building Peace and Human Security

Ridding the world of anti-personnel landmines and banning or limiting other forms of weapons directly reduces the human suffering caused by conflict. The other side of the same coin is building and enhancing human security. By building peace, reducing unsustainable military expenditures, promoting equitable and sustainable development, and encouraging stable democratic societies that respect human rights, we not only limit human suffering but address the root causes of conflict.

To do this requires solutions that are built from the inside, not imposed from the outside. Sustainable peace can only be built through the active co-operation and participation of the governments, peoples and groups caught in the conflict itself. This means drawing on local, national, regional and international expertise and commitment, depending on what is most effective. It means building new partnerships, particularly between the North and the South. It means strengthening the capacity of regional organizations for conflict management. And it means building the capacity of the UN to assist countries at an early stage in the management of emerging conflicts and the building of sustainable peace.

At the same time, a parallel effort is required to reform the UN development Funds and Programs. Canada strongly supports the Secretary-General's reform proposals in this area. We place priority on improving co-ordination within the UN system at the country level, including among the specialized agencies and the

Bretton Woods institutions, in order to maximize development impact.

Canada, through diplomacy and development assistance, has supported peacebuilding activities in conflict-affected regions for some years. To give further impetus to this approach, in October of last year I announced the Canadian Peacebuilding Initiative. Its aim is to co-ordinate Canadian programs and policies in support of conflict prevention and resolution, peacebuilding and post-conflict reconstruction. A Peacebuilding Fund under the aegis of the Initiative provides a rapid response mechanism.

Over the last six months, we have used this fund to:

- provide critical start-up funding for the Guatemala Historical Clarification Commission;
- assist the Preparatory Commission for the Establishment of the International Criminal Court by underwriting the participation of delegates from developing countries; and
- provide financial assistance for the work of the Joint UN/OAU [Organization of African Unity] Special Representative for the Great Lakes Region of Central Africa, Mr. Mohamed Sahnoun.

In addition, Canada is prepared to contribute up to \$500 000 from the Fund for the establishment in Bosnia of an NGO foundation to develop civil society on the basis of multi-ethnic co-operation. I urge other members to join Canada in supporting this nascent foundation. Finally, I am pleased to announce a Canadian contribution of \$500 000 from the Peacebuilding Fund to the new UN Trust Fund for Preventive Action, created by the Secretary-General in response to a proposal from the Norwegian government.

As we pursue this Initiative, we look forward to working closely with the UN and other relevant bodies, with other donors, with civil society and, most of all, with those countries that are striving to achieve peace.

Reducing Military Expenditures

A second promising area of work on the root causes of conflict lies in exploring the links between security and development, and particularly in reducing levels of military expenditures relative to economic and social spending.

Last year Canada co-sponsored with the OECD [Organization for Economic Co-operation and Development] a symposium on military expenditures in developing countries, which brought together a wide range of experts and interested parties. They identified

areas for further action, including small arms proliferation, regional security co-operation, good governance and the rule of law.

The UN has established important tools to build the confidence necessary for reductions in military spending in the form of the UN Conventional Arms Register and the UN Standardized Reports on National Military Expenditures. More work is needed, though, particularly at a regional level, to identify ways to help countries reduce military spending and re-direct scarce national resources to economic and social development goals.

Promoting Environmentally Sustainable Development

A third area of attention in work on conflict and threats to human security is environmental sustainability. Environmental problems have the capacity to imperil living standards today, endanger the well-being of future generations and spawn conflict over scarce and dwindling resources.

Much of the institutional and conceptual framework to address environmental problems as a threat to human security is already in place. Sustainable development – the integration of social, economic and environmental concerns – has been accepted as a new paradigm. But, as we all agreed at the UNGA [United Nations General Assembly] Special Session to review Agenda 21, we have fallen short on real action on the ground. What has been lacking is political will.

Sound environmental management is an issue of real and direct import to Canadians. Canada has 10 per cent of the world's forests, and has worked hard to develop sustainable forest management practices. Our domestic experience, along with our many international partnerships, have convinced us of the need for a legally binding international agreement on sustainable forest management. Persistent organic pollutants are also of particular concern to us. These chemicals used in distant countries are threatening the health of northern Canadians and others who live in the fragile Arctic region.

For these reasons, Canada strongly supports new agreements on hazardous chemicals, including persistent organic pollutants, and will work to ensure the success of the new Intergovernmental Forum on Forests. Combatting desertification remains a priority for us, and we have offered to host the Desertification Convention Secretariat. We also hope to see a successful climate change conference in Kyoto this December.

Promoting Respect for Human Rights

The fourth and final promising area of focus in addressing the root causes of conflict is human rights and good governance. Next

year we celebrate the 50th anniversary of the Universal Declaration of Human Rights. This is an opportunity for us all to reaffirm strongly the fundamental importance of this document, and our commitment to the common standards of behaviour it sets out.

In recognition of the importance of this anniversary, Canada will be sponsoring a broad program of activities, including:

- a conference on human rights and the Internet, to draw together work being done in many international forums on this issue, with a focus on strategies for using the Internet to increase respect of human rights;
- development and publication of a prototype annual report on the state of human rights worldwide, based on the findings of the UN's independent human rights mechanisms; and
- a conference reviewing the impact of the 1993 Vienna Declaration, to be held by Canadian non-governmental organizations as one of the many activities they are organizing in support of the anniversary.

Abuse of human rights is sometimes excused as necessary in the interests of stability and national security, but the facts show otherwise. Countries with democratic governments, which respect the fundamental rights of their citizens, are less likely to wage war on one another. They are also more likely over time to achieve high levels of economic development. If we are to build true stability and human security, respect for human rights must be one of the foundation stones.

In recognition of this, Canada has recently undertaken a series of new bilateral human rights initiatives. Our aim is to work with a range of counterparts in other countries to establish government-to-government discussions, exchanges between human rights institutions, civil society initiatives, and projects on the development of free media.

For all these reasons, and because of our abiding belief in "the innate dignity and worth of the human person," Canada calls for universal adherence to the six key UN human rights treaties. We fully support the Secretary-General's proposals for reform measures to enhance UN work on human rights and to integrate human rights concerns into all UN activities. The establishment of the Office of the High Commissioner for Human Rights in 1994 was an important step. We welcome the appointment of Mary Robinson and offer our support to her as High Commissioner.

As we move towards the 50th anniversary of the Universal Declaration of Human Rights, the challenges facing the international community have, if anything, increased. The trend

towards targeting civilians in warfare has resulted in severe infringements of the basic rights of women and children. Too often, we have seen children recruited as child soldiers, or women subjected to sexual assault as a deliberate weapon of terror.

Canada continues to make the rights of the child, both in conflict and in peace, a top human rights priority. We are active in the UN working groups on optional protocols to the Convention on the Rights of the Child. We welcome the appointment of Mr. Olara Otunnu as Special Representative to study the impact of armed conflict on children.

Canada will shortly host a preparatory meeting for the main donor countries invited to the Oslo Child Labour Conference. This complements our domestic efforts, including the launch of a Child Labour Challenge Fund to support the efforts of the Canadian private sector in addressing the problem of exploitative child labour.

Nowhere is the link between human rights and human security clearer than in issues of children's rights. By protecting the basic rights of the world's children, we are nurturing a future generation of citizens with both the means and the desire to live in peace.

Improving Reaction to Crises: Rapid Reaction

The final overall priority for action is crisis response. Despite our best efforts, there will be times when conflict looms, or when it cannot be prevented. These situations spur calls for rapid, decisive action, whether to forestall conflict or contain it when it does break out. These actions include not only peacekeeping and other military measures, but also humanitarian and judicial responses.

How the UN should react to conflict has been the subject of intense debate. We have faced cyclical optimism and pessimism about the capacity of the UN to enhance global security, particularly following the missions in Somalia, Bosnia, Rwanda, and Zaire. To date, the international community appears to have identified the lessons those missions taught us, but not to have learned from them.

The diverse representatives at the recent Conference on Peace Support Operations and Humanitarian Action in Halifax identified similar lessons:

- the need for better co-ordination and consultation, so that all those who have a role are integrated into planning and response;

- the need to react rapidly, including deploying rapidly to the crisis area the core headquarters elements of a peace support mission;
- more emphasis on the political and social context where the root causes of conflict reside; and
- more attention to transition mechanisms such as civilian police.

In crisis situations, speed is the key to effective response. This is why Canada has been so active in efforts to develop UN rapid response and deployment capability, particularly a Rapidly Deployable Mission Headquarters [RDMHQ]. This structure would not only permit timely insertion of military forces, but would integrate civilian and humanitarian organizations directly into mission planning and deployment. Canada hopes to see measurable progress on the RDMHQ and the Danish-led Standby Forces High Readiness Brigade initiative. These improvements to the UN's rapid response capability are complementary, they are feasible, and they should be implemented without delay. Let us learn our lesson, not ignore it once again.

An important part of that lesson is recognition that rapid reaction to crises is not a matter of military assistance alone. The Secretary-General has recently highlighted the linkages between crisis management, peacebuilding efforts and humanitarian assistance.

Canada strongly supports reform proposals for the UN humanitarian system, aimed at developing an effective victim-centred system. A small, efficient Office of the Emergency Relief Co-ordinator is needed, not a reshuffling of current arrangements, which have proven ineffective. The success of these reform proposals will depend on a clear commitment from the UN operational agencies and programs. At the same time, the agencies and programs must be fully involved in the implementation of the reform proposals. It is also crucial that a new Emergency Relief Co-ordinator with strong leadership, management and communications skills be appointed immediately to oversee the reform process.

Developing UN good offices and rapid reaction capability are important. But the real key is the political will to act, and to act quickly. Lack of political will and sense of responsibility on the part of member states is the greatest challenge facing the UN in responding to crises.

Justice and the Rule of Law

In addition to rapid military and humanitarian reaction, a key element of the UN response to conflict is the application of justice and the international rule of law. Canada strongly

supports the timely establishment of an independent and effective International Criminal Court. In order to be effective, the Court must have inherent jurisdiction over the "core" crimes of genocide, war crimes, and crimes against humanity. In order to be independent, the Court must not be precluded from dealing with matters on the Security Council agenda.

The international community established the International Tribunals for Rwanda and the former Yugoslavia to show its resolve to pursue those who commit war crimes. If the Tribunals are to be successful, they must have more than moral support or vague assurances. They need the concrete political and legal support of states. We created these bodies – we have a responsibility to support them and to ensure they are effective.

It was in this belief that Canada recently submitted an amicus brief to the Tribunal for the former Yugoslavia, defending its authority to issue orders for the production of evidence. If there is no impartial means to uncover truth and administer justice in the aftermath of war, nations will find themselves plunged into continued cycles of violence, fuelled by unfinished business and festering hatreds.

Conclusion

The UN was originally established as an instrument of international peace. Since that time, war has put on a new face. More and more, it has targeted primarily civilian populations. If the UN is to be effective – and I believe that the need for effective multilateralism has never been greater – it must adapt to this change.

At the same time, the UN must recognize that it too has changed since its foundation. Both its membership and its mandate have expanded, marked by the growing importance of UN development and humanitarian activities. Clearly, it is time for concerted reflection on the purpose and functioning of this body that we have built together, including the difficult issues of financing and reform of the Security Council.

Reform and expansion of the Security Council is a major undertaking of direct concern to all member states. The long-term implications must be fully debated and carefully weighed, and the process must be fair and open. It must attract a broad consensus, and cannot be rushed to accommodate other goals; including a short-term solution to the UN's financial crisis. Canada wants to see a Security Council that is more effective, transparent and broadly representative, and above all less elitist and more democratic. The primary criteria for membership should be commitment to the ideals and undertakings of the UN and a willingness to remain continually accountable to the full membership.

Broader UN reform must necessarily fail so long as member states continue to demand more of a system to which they contribute less. Effective leadership and moral authority are rooted in respect for undertakings and obligations freely entered into by member states. It is the responsibility of each and every member to pay its dues. These obligations apply in full, as they are due, and without conditions.

Looking ahead, there may be a time when we will choose to reconsider aspects of the UN's current financial underpinnings. Indeed, we may collectively decide that in order to broaden responsibilities and share power in ways that better reflect current international realities, some adjustments to the scale of assessments are warranted. Such decisions, however, can be neither pre-judged nor presumed, and would no doubt be influenced by the commitment of those advocating such changes to the broader purposes of the Organization.

The international context in which the UN functions has changed profoundly. Around the world, people are re-shaping the way they live — be it by seeking more food, better air, or greater democracy. Crucial to this massive transformation is the search for security, both through the reduction of conflict, and the building of a better life in times of peace. The UN has long symbolized these dual hopes, for escape from "the scourge of war" and for "better standards of life in greater freedom."

I close my remarks today on a note of hope by quoting Vaclav Havel, who said "Hope is definitely not the same thing as optimism. It is not a conviction that something will turn out well, but the certainty that something makes sense, regardless of how it turns out." Our hope lies in the certainty that the UN, as the standard-bearer of multilateralism, makes sense. This must spur us on to face the challenges ahead.

Thank you.

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Statement

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CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI
MINISTER FOR INTERNATIONAL TRADE
AT THE 15TH JOINT MEETING OF THE
CANADA-KOREA / KOREA-CANADA
BUSINESS COUNCIL

MISSISSAUGA, Ontario
September 30, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Thanks to all of you for inviting me here today. Let me begin by acknowledging the effective work that your Council is doing to develop the personal connections that will sustain greater trade between us.

It has been said that all politics is local. The same is true of trade. And I think it is helpful to remember, when we throw around the huge numbers involved in international trade, that behind those numbers are individual men and women – your neighbours and mine – who are producing the goods, offering the services and taking the risks that generate jobs for themselves and for others.

So I commend this Council for keeping that focus on personal relationships.

Today I would like to share just a few thoughts with you on the subject of further strengthening the Korea-Canada trade relationship, and I would like to do that around three themes: liberalizing trade within APEC [Asia-Pacific Economic Cooperation forum], encouraging more Korean investment in Canada and strengthening bilateral trade associations.

First, our joint efforts to liberalize trade through APEC.

We are working on a number of priorities this year.

Trade ministers agreed in Montreal to identify sectors for early liberalization in time for leaders to consider when they meet in November. By doing so, we have effectively accelerated the timetable we put in place in Manila last year.

It is my hope that APEC can agree to a short list of these sectors, so that we can begin to walk the talk in these areas. We also need to keep up the momentum on this initiative, which is part of our long-term goal.

APEC members will also be bringing forward, in November, their revised plans for further domestic measures to liberalize trade in the region.

As well, those of us in APEC can help the cause of liberalized trade by supporting the work of the World Trade Organization [WTO]. Some areas, like financial services negotiations, may need a bit of a push if they are to be brought to completion.

One of the great strengths of APEC is our ability to create consensus around an issue, which in turn can establish momentum for action at the WTO. Just look at what we were able to achieve in the area of information technology, which led to an important agreement at the WTO. APEC must continue this role in bringing down barriers to trade.

All of these initiatives are important steps to liberalizing trade and we welcome them.

But as a complement to trade liberalization, we also need to work on trade facilitation: on making it easier for companies to do business across borders.

Take the area of customs: technology already exists that can link customs authorities and reduce clearance times from weeks to minutes in some areas. This saves not only time, but money — crucial considerations to small and medium-sized businesses.

To enhance cross-border commerce even more, we need to make standards more comparable and government procurement systems more transparent. This way, companies from any APEC economy will have access to opportunities in every APEC economy.

In November, we will present a blueprint to leaders with a clear 12-point work program on streamlining customs procedures. And I look forward to working with my counterparts in APEC to produce concrete results in these areas in the months ahead.

All of these efforts will help build a stronger, more vibrant trade relationship between Korea and Canada.

And that brings me to my second theme, because another way to do that is to encourage more Koreans to invest in Canada.

As Korean companies continue to look outward for new opportunities, we want a large, red maple leaf to come to mind.

Canada has much to offer Korea, including abundant natural resources that can help to fuel Korea's economic growth. And our leading-edge high-tech companies present exciting opportunities for strategic alliances and technology transfers.

Canada also has an economic climate second to none. With low interest rates, low inflation, a dynamic and diverse economy, world-leading technologies, an educated workforce, superb infrastructure and, of course, tariff-free access to the United States and Mexico, it is not surprising that the International Monetary Fund predicts Canada will lead the G-7 countries in economic growth and job creation both this year and next.

Nor is it surprising that recent studies show that it costs about five and a half per cent less to establish and run a business in Canada than in the United States. Just take the area of health care — where the major U.S. automakers spend more on health insurance for their workers than they do on steel!

So our competitive advantage is significant, and I would invite you to carefully compare all of the factors that go into deciding where to invest.

The reality is that you will not find a country more ideally suited to trade than Canada. Our economy is heavily based on

trade — it accounts for more than 40 per cent of our GDP [gross domestic product] — so our economic policies have been developed with trade at the forefront.

Companies investing here will benefit from these policies and profit from Canada's leadership role in opening up new trade opportunities around the world.

Thanks to your efforts, and those of others, Korea and Canada already enjoy a significant trade relationship. Korea is Canada's sixth-largest export market and our third-largest in Asia.

We have also established a strong bilateral relationship through our "Special Partnership," begun by President Kim and Prime Minister Chrétien in 1993.

Through the Special Partnership Working Group, we have found ways to break down old barriers and open up new opportunities. We have enhanced access to one another's markets and identified opportunities for further strategic alliances and commercial partnerships.

This Special Partnership is already bearing fruit: in 1995, Industry Minister John Manley and Korean Minister Park signed an agreement on Industrial and Technological Co-operation. And, as a result of the Team Canada trade mission to Korea in January, we are now working on an agreement in the area of telecommunications equipment procurement.

Our Special Relationship is creating bonds in other ways as well. With the opening of the Canadian Education Centre in Seoul, the number of Korean students studying in Canada has risen from about 640, in 1993, to over 8000 today. Koreans now represent the largest group of international students in our country.

But strong as our ties may be, we also know that Korea and Canada should be trading more and investing more.

Finally, a vital mechanism to enhancing trade between us is to place more emphasis on organizations like yours.

And in this regard, I want you to know that strengthening and diversifying the role played by bilateral business and trade associations is a priority of mine.

I believe this emphasis only makes sense: you're on the ground, you know the markets best, you've got connections in the communities, you see the impediments and you're aware of the opportunities. And small companies often look to you — not government — for information about business opportunities abroad.

So we need to co-ordinate better. Because, as governments continue to downsize and redefine their roles, it will be more

important than ever for trade associations to work more closely with out trade commissioners and our ambassadors abroad.

We also have to recognize the competitive advantage associations like yours bring to Canada. The multicultural, multilingual, multiethnic reality of Canada is a huge trade asset. People trade with countries they feel most comfortable with, in languages they speak and in cultures they understand. That is one of Canada's biggest advantages — no part of the world is alien to us.

Therefore, a stronger reliance on our associations will better harness this great diversity and refortify the bridges that connect our two nations.

I welcome your thoughts on how we can help small and medium-sized companies explore the opportunities that await them in Korea.

So these are some of the building blocks of a stronger trade relationship between Korea and Canada: freer trade within APEC, making it easier to do business across borders, more Korean investment in Canada and strengthening trade associations like yours.

I am convinced that by working together and combining our resources, we can dramatically increase the level of trade between our two countries.

As I thought about the benefits of co-operative action, I was reminded of a trip I took some years ago to California.

We had stopped to admire the giant sequoia trees that grow there. A park ranger pointed out that the sequoia actually has very shallow roots — just barely extending beneath the surface.

One of the members of our group said that that was impossible — if roots don't grow deep, strong winds will blow the trees over. But the ranger said that sequoia trees were different. They only grew in groves and their roots intertwined under the surface. When the strong winds came, they held each other up.

There's a lesson there for all of us. By working together and combining our efforts, we can hold each other up through the harshest storms.

In the years ahead, we can be sure that many challenging winds will blow across our trading relationship, but let us lock arms and get through them together.

Thank you.

Statement

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CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI
MINISTER FOR INTERNATIONAL TRADE
TO THE ALLIANCE OF
MANUFACTURERS AND EXPORTERS CANADA

QUEBEC CITY, Quebec
October 6, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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It's a pleasure to be here and to see some of the people I have been meeting individually since I became Minister for International Trade four months ago.

Our meetings have been very useful for me. I have learned from you and I have heard clearly what you expect from the Government with respect to our role in promoting Canadian trade and investment.

It's a real pleasure to work with business people, because business people say what they mean.

And what I have heard is that you want the federal Government to press on vigorously with improvements in our trade and investment promotion services.

One trade promotion initiative that I will talk about today is the Prime Minister's Team Canada missions. Since 1994, Mr. Chrétien has led three Team Canada missions to China, and South and Southeast Asia. This January, we are headed to Mexico, Argentina, Chile and Brazil.

The Prime Minister has opened the doors to trade with this region. And we are pleased that Premier Bouchard and some of the other provincial premiers are taking advantage of these open doors by leading trade missions of their own to China this fall. We applaud these initiatives as they contribute to Canada's trade development strategy.

As an Asia Pacific nation, Canada is uniquely positioned to seize the opportunities that lie in this region.

As part of an Asia Pacific nation, Quebec stands to benefit greatly from the economic growth that will occur in this area. Quebec has already benefited from the Team Canada trips to Asia, capturing one quarter of all the Team Canada contracts signed, which will in turn create thousands of jobs for Quebecers. The business community recognizes this – on the last Team Canada mission, 115 of the 350 participants came from Quebec.

The business community wants their government to act in other areas as well.

You want government to streamline their services and make them more accessible.

You want to be consulted regularly so you can tell us:

- whether we're providing the right services;
- whether we should stop doing some things and start others;
- and whether we're providing you with the right information – when you need it.

You want to eliminate confusion in gaining access to our programs and services.

You want one-stop shopping, where you can be referred immediately to the service you need.

You want government departments to speak with one voice, and you want all levels of government to work co-operatively in their promotion of our trade interests, without bickering over jurisdictions.

Just as our Team Canada missions abroad have been built on close federal-provincial-private sector co-operation, we have to establish a similarly strong trade team at home.

We have forged strong links between government departments, maximizing the use of our expertise, our data banks, our programs.

We are building bridges to the private sector, assessing your needs and matching them with targeted services. In fact, we have put in place the wiring for the best trade network in the world. Our ultimate objective is: *to become the world's foremost trading nation.*

I've been listening to your advice and today I want to inform you about several new steps that I intend to take now to enhance and build upon our trade network in line with this Government's Red Book mandate.

I want to stress that these steps are consistent with the Government's Throne Speech commitment to build on the success we have had with Team Canada to date.

As the Throne Speech said:

Team Canada trade missions have successfully generated new opportunities for Canadian businesses and have illustrated what we can accomplish when the government and the private sector collaborate. The Government will build on that success with a focussed strategy, developed in consultation with industry, to improve our international economic performance by expanding Canada's trade base.

The steps I am announcing now are part of that strategy.

First, we will call our trade services network - this co-operative venture of federal departments, provinces, municipalities, educational institutions and you, the private sector - "Team Canada Inc."

Team Canada Inc is a name that truly reflects the co-operative and consultative manner in which it has been developed. It reflects, as well, the continual commitment to involvement of all the partners. And like all networks it is designed for expansion and adaptation to new circumstances.

By creating this identity we will capture the Team Canada spirit, which has so successfully animated the Prime Minister's trade missions abroad, involving provincial premiers, municipalities, large and small businesses and universities: in short all the Team Canada partners. This spirit will energize our vision for a highly efficient, results-oriented trade promotion network for all Canadians.

This network recognizes that we must apply the success of Team Canada on home ice as well. It will demonstrate that Canadians are effective when they mobilize their resources and work together from coast to coast.

Second, I am establishing a senior business advisory group, the Team Canada Inc Advisory Board, to provide strategic advice on what directions we should take together in the future.

The board will directly advise me and my colleagues on all elements of trade promotion, policy and investment. It will be chaired by Red Wilson, who you all know is CEO and chairman of the board of BCE, and who has provided invaluable recommendations to the government on trade promotion services in the past.

The board will replace the International Trade Advisory Committee [ITAC] which has given guidance to the government on international trade agreements and other policy issues over the years. It will be smaller than ITAC, with the aim of providing counsel more quickly, but it will also be representative of the full cross-section of Canadian trade interests.

The new board will continue to provide advice on trade policy, but the vital role of trade promotion and investment will be incorporated in its deliberations. This reflects our view that it is not only important to get world trade rules right, but to position our companies to take advantage of the openings those rules offer.

As you know, the Red Book calls for the establishment of a trade promotion agency. In line with this objective, we will be asking the board to provide advice on how to continue to improve business development services to Canadians.

Third, my Department will re-deploy its resources to give greater weight to our trade promotion efforts in fast-growing markets in Asia and Latin America, as well as exploiting new opportunities in Europe and the United States.

I have decided to increase the number of trade commissioners in these markets by more than 30 per cent over the next five years by moving more officers out of headquarters and into the field.

About half of our professional trade staff are currently working in Canada. Our objective is to assign ten additional trade commissioners abroad each year and to have 70 per cent of our staff in international markets by 2006.

Our ambassadors and trade commissioners have told me that they can be more effective in helping Canadian companies overseas when the companies are well prepared.

I am encouraging you, therefore, to use the services offered by Team Canada Inc across the country to prepare yourself well for the demands of the global marketplace.

I am confident that this network approach, calling on the resources of all our Team Canada Inc partners, will work, because we have experience already, upon which we can build.

For example two years ago we undertook an initiative jointly with Agriculture and Agri-Food Canada to establish the Agri-Food Trade Service [ATS], a comprehensive network of federal services from the regions to the posts abroad. The ATS has been fully embraced by the agri-food sector, and has been instrumental in helping the industry achieve its goal of \$20 billion worth of exports by the year 2000 ahead of schedule.

And as we step up our efforts to further penetrate priority and emerging markets, the expertise and market intelligence that trade commissioners provide will become increasingly valuable and sought after by Canadian firms. And their services will be better targeted at helping export-ready companies make new foreign deals.

Fourth, my department will ensure that, by the new year, you will have an improved single point of contact to connect you to all our trade services.

You are already aware of the 1-888 phone number that connects you with Industry Canada's Business Service Centres. This service will be enhanced by the new year to put you in touch more rapidly with the right Team Canada Inc partner – either at my department's headquarters in Ottawa or at our International Trade Centres across the country – to respond specifically to your needs.

This will build on ExportSource, the service that my cabinet colleagues, Ministers Manley and Vanclief, and I launched two weeks ago. ExportSource is a new Internet site that provides comprehensive information on all our export services at the click

of a button. And my colleagues and I are working on linking up the other federal departments – 16 in all – who have trade-related responsibilities.

So it's not up to you to figure out who in Team Canada Inc you should be calling. You can find out by going to ExportSource. We believe it's better to deal online with government than to wait in line for government. ExportSource is on display here at the conference at the Team Canada booth and I invite you to see for yourself what it can do.

Fifth, my Department is establishing a new unit specifically devoted to serving the export needs of small and medium-sized enterprises [SMEs].

The unit will concentrate on the special needs of SMEs in export markets. It will be a champion for SMEs within the Department of Foreign Affairs and International Trade and will work with similar units in other departments and agencies to ensure that all trade promotion services are adapted to the needs of small and medium-sized business.

The unit will play an important role in our efforts to increase the number of new exporters.

And it will be conscious as well, of the special requirements of women, aboriginal and young entrepreneurs.

It will also explore ways to work with multicultural business people and others in the community to harness Canadians' knowledge of other cultures and languages to tap into trade and investment markets.

The unit will build on the work being done by trade associations and Chambers of Commerce as well as you, in the Alliance.

It will be headed by Joanna Townsend, who has had years of experience in the international trade realm in the private sector, and – you will also know – as chair of the business and professional services SAGIT.

Finally, the three core federal departments working in Team Canada Inc will be preparing an integrated, results-oriented business plan for trade and investment promotion which will be presented to Treasury Board.

This plan will outline in clear terms exactly what resources Team Canada Inc will be dedicating to achieving clearly defined export and trade promotion goals. I think it will show you that we really mean business.

My federal colleagues and I will continue to work as a team to ensure that we have a fully integrated international business development plan. I will be reporting annually to Parliament on the results we have achieved.

So, you see, these measures are our response to what I have heard from business across the country, as well as from our officials in Canada and abroad. And these measures are just the start.

As I noted, earlier I will be receiving the views of the advisory board on the trade promotion agency.

In close consultation with you, my colleagues and the advisory board, I will be working to continue to make changes and improvements that better meet your requirements and which best promote Canada's trade and investment interests at home and abroad.

Thank you.

Statement

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CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI,
MINISTER FOR INTERNATIONAL TRADE,
ON THE OCCASION OF THE RELEASE
OF A KPMG STUDY ON CANADA
AS A LOW-COST BUSINESS LOCATION

OTTAWA
October 9, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Ladies and Gentlemen:

I'm always happy to receive good news. This report is very good news for us all.

Canada is a winner. That is something we all know in our hearts, but the KPMG report has proven that sentiment with clear-headed analysis and rigorous, bottom-line calculations. It shows just how commanding our lead is in the race for job-creating business investment dollars.

I want to recognize KPMG for their hard work, and I want to thank the Royal Bank of Canada, Ontario Hydro and the Atlantic Canada Opportunities Agency for joining us in sponsoring this important study.

The results are categorical - Canada has the lowest business start-up costs among the leading European and North American economies. Any business person thinking about expansion and concerned about profitability has to take a serious look at what Canada has to offer an investor. We now have the numbers and they cannot be overlooked.

And make no mistake - those business investment dollars are critical for the future prosperity of Canadians. Each \$1 billion in new investment in this country amounts to 45 000 jobs over five years.

Most Canadians know that we are winning on the trade front. Canadian exports are up more than 45 per cent in just four years. And they understand the importance of those exports to Canadian jobs.

But we have not done as well on the other side of the international business equation - that of attracting job-creating investment. In an increasingly globalized economy, long-term prosperity is as dependent on winning the investment war as it is on being out front in the trade race.

The Government of Canada is committed to leading the effort to get the message out to investors. The message we have to deliver, ladies and gentlemen, should find a ready audience.

After all, the mark of a good investor is to seek out opportunities that are undervalued. As this report demonstrates, a business that chooses to expand internationally in any location but Canada has undervalued what this country has to offer.

Some of the savviest European investors have already compared Canada to the rest of the world and come to the conclusion that Canada is the best in the world.

Stora Group of Sweden, Pasteur Mérieux Connaught of France and Swedish giant L.M. Ericsson, to name only three companies based

in Europe, have recently committed to invest more than \$1 billion in Canadian operations.

But Canada is still an undiscovered bargain for far too many European and APEC [Asia-Pacific Economic Co-operation forum] decision makers. We have a powerful message to deliver about Canada's attractiveness as the most cost-competitive base for companies expanding their operations abroad, especially into the NAFTA market.

Effective economic management by the current government allows us to offer potential investors an unbeatable combination of low interest rates, minimal inflation, shrinking deficits and forecasts for strong economic growth. And the KPMG study is just more good news for business investment in Canada.

The message that I will be taking to business decision makers around the world could not be more positive. Canada has, in effect, become a global brand name for quality and low cost in international business. It's a message that I hope all Canadian business people will repeat within Canada and abroad.

Let me highlight for you how this new study will help me make the winning case for our country with potential investors.

The KPMG study evaluates a number of key business costs that almost every new enterprise must consider. Canada comes out at or very near the top in all categories of start-up and operations costs such as:

- initial capital costs, including land acquisition and building construction;
- annual labour costs, including wages, statutory benefits, employer-sponsored benefits and labour;
- electricity costs;
- transportation costs; and
- telecommunication costs.

Lower start-up costs mean that Canadian businesses can offer overall lower labour costs than the United States and most European locations, that interest costs offer a significant Canadian advantage, and that our research and development incentives make Canada a winner in this increasingly critical area of modern business success.

And let me draw special attention to a bit of cost analysis that will blow one myth about doing business in our country clearly and cleanly out of the water — taxation. Along with Sweden, Canada offers the lowest overall corporate tax burden.

It seems counter-intuitive to many business people that Canada and Sweden have the lowest corporate tax burdens, but it is the

kind of myth about doing business in our country that makes some investors wary, and so it has to be exposed and put behind us.

When you combine the effects of all these cost elements, Canada ranks number one. We have a slight edge on Sweden (1.7 per cent), but a substantial lead over the United States (5.4 per cent)— a critical advantage when we're selling Canada to investors in Europe and the APEC nations who want a North American base to expand their manufacturing operations into the NAFTA market.

To take a stark example from the KPMG study — a European business setting up a typical 100-worker plant in Canada will save, on average, nearly US\$1 million annually, over a similar site in the United States, on sales exceeding \$10 million.

This is a message that sells!

That winning overall performance for Canada is consistent across a wide range of industries. In fact, in all eight industrial sectors reviewed by the study, Canada leads the field.

In all sectors our cost advantage is substantial. In a few, such as software manufacturing, our edge is phenomenal. In fact, our average advantage over the United States is nearly 10 per cent, and we're ahead of the most expensive European location by almost 16 per cent.

Happily, our winning advantage is most impressive in industries requiring high levels of knowledge and advanced technological capacity. These are precisely the sectors where we most want to be able to demonstrate to foreign investors that Canada is competitive globally. The KPMG study gives us the resources to do that.

But that knowledge has to be turned into investor dollars in local Canadian economies. And that takes hard work.

The time for modesty is past. Canada offers an investment environment second to none, and now we can prove it. Canada's economic house is in order, and this study demonstrates that future investment will find a profitable home in Canada.

Over the last four years, the world has come to understand that Canada consistently leads all other nations on the United Nations Human Development Index. Now add to that message a new reality — not only is Canada the best country in the world in which to live, Canada is also the best country in which to invest.

Truly, Canada is number one.

Thank you.

Statement

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CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI
MINISTER FOR INTERNATIONAL TRADE
TO THE CANADA-RUSSIA
INTERGOVERNMENTAL ECONOMIC COMMISSION
OPENING PLENARY

OTTAWA, Ontario
October 10, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Deputy Prime Minister Serov,
Minister Orlov,
Ambassador Belonogov,
Ambassador Leahy,
Members of the Russian delegation, ladies and gentlemen:

Our bilateral IEC [Intergovernmental Economic Commission] is about business, and this year there is a great deal to talk about.

It is a pleasure to see such an unprecedented level of corporate and government interest in bringing Canada-Russia trade and investment up to their enormous potential.

As this year's IEC opens, Russia's Soviet economic legacy is slipping faster than ever before into the past, as Russia continues to take the hard steps necessary to put its market economy on a firm basis.

When Prime Ministers Chrétien and Chernomyrdin launched our IEC two years ago here in Ottawa, the story in Russia and about Russia was still political. Was reform succeeding or faltering? Would the next parliament look forward or backward? Who would be president, and who would govern?

That story has since been completed, and this year has yielded to an altogether different story, an economic story. The Russian economy is now on the global scene, not only as a burgeoning emerging market, but also as an investor and an investment destination to be reckoned with.

At home, the Russian government has put in place a liberalizing economic system marked by competition, restructuring and consistent reformist signals from policy makers. The consumer has more choice and the entrepreneur more room to manoeuvre than ever before. Real income in many regions is already on the rise.

On the international scene, Russia has taken an open, forthright and responsible attitude. It has joined the Paris Club and is making strides toward WTO [World Trade Organization] membership. It is a valued partner in the Summit of the Eight, and a future colleague in other key forums. This progress is taking Canadian technology, capital investment, and goods and services across the Atlantic, Pacific and Arctic Oceans in growing quantities. Canada and the world want to be part of the New Russia.

The past year has been one of substantial bilateral accomplishment. The ratification of our Double Taxation Agreement is a welcome achievement. After years of moderate activity on Russia, the Export Development Corporation (EDC) has made larger than ever commitments in financing Canadian exports to Russia, and Russia is climbing through the ranks of our exporters' priority countries.

The Russian-Canadian Financial Forum held over the past two days in Montreal has brought Russia's dynamic banking sector to Canada en masse for the first time. It has captured the attention of our financial and business communities. We know that this year's staggering performance by Moscow's stock market is only the beginning.

Paris Club membership is a symbol of Russia's financial revival, and Monday's London Club debt rescheduling helps close a chapter in Russia's financial transformation. President Yeltsin's announcement that current IMF [International Monetary Fund] loans will be Russia's last bespeaks a new confidence that economic turnaround is under way, and that Russia will soon be financing its own inward investment boom.

There is no more important initiative driving Russian integration into the global trading community than its decision to join the WTO. It is a point of pride for us that Canada, a charter member in the club of trade liberalizers, is assisting in Russia's preparations for membership. We are committed to being a loyal partner for Russia in its efforts to achieve WTO membership.

Each one of these international events is by itself cause for optimism. Together they represent a strategy that will position the Russian economy for growth and competitive success in the next millennium.

The work is far from over. The Russian economy is not yet operating within the legal and fiscal frameworks that will sustain a high-growth future. Our companies are experiencing difficulties symptomatic of institutional overhauls that are incomplete. It is not enough simply to pass laws and announce regulations. There must be transparency and consistency in implementation. Courts and prosecutors need the status and the clout to be independent.

The greatest competition Russia faces is for foreign investment. Such investments were formative for Canada. They continue to play a critical role in keeping our economy competitive. But investment capital is a "globally traded" commodity for which all nations must compete.

Russia has already done well in the quest for portfolio investment. But to win the big prize – direct investment in infrastructure and production – the focus will have to remain on education and training; a consistent regulatory and tax framework; a clear decision-making and approval process; cohesion between and within federal and regional authorities; a responsible fiscal policy; a careful monetary policy; and an open, competitive economy where new ideas, better processes and better quality are keys to success.

Canada is involved on all these fronts. We are regearing our training initiatives toward Russia's goal of educating a new generation of private sector managers to meet global challenges. We are also involved with technical questions from veterinary standards to construction practices, from farm radio networks to Arctic ice monitoring. Above all, our managers and professionals are entering the Russian market, and shaping the business environment around them. All of this is evidence that we are serious about our investment, and that we are in Russia for the long haul.

Many Russian sectors have already taken up these challenges, and the explosive recent growth in Russian exports is there to prove it. Canada is not so much interested in Russia's lead sectors today, but in the areas where we have the best long-term potential.

Our current IEC working groups are in areas of current strength. Construction, agriculture and energy are all natural areas for Canada-Russia alliance, areas where we have always had to face the same elements and the same constraints.

The new areas this year have just as much to do with geography. In aerospace, Russia has had the largest aircraft manufacturing and civil aviation systems in the world for decades. Canada has one of the world's fastest-growing aerospace sectors, and our companies have found natural niches in parts of the Russian market where it lacks capacity. Our long-term goal is to be a strategic partner for Russia in aerospace, and the work now under way between us on aircraft, aeronautics, flight simulation, helicopters and space launches is all part of this.

Similarly in telecommunications. Canada's leading players have products that are already selling well in Russia, and we recognize your potential in research, satellite technology and other areas. The larger story is that we can conquer new markets together, with the fibre optics and other tools we have used to make geography a lighter burden.

I am delighted Industry Canada has taken the lead in bringing our two countries' companies together in these cutting-edge sectors, where there is so much potential.

Science and technology is another area that deserves our attention and our efforts. You would all be surprised to know how many dozen Canadian and Russian government agencies already have ties in this area. Private sector links are now multiplying as well. Our object should be to make these alliances work for business. Russian science has unique credentials, as Canadian geologists, aerospace researchers, medical researchers and many others know. I strongly support our bilateral initiative to

undertake a compatibility study, which will map out the way ahead.

The resource sector is the greatest repository of potential between us, and the one that needs the most attention. Within our IEC, and within the economic relationship overall, the resource sector is the one we have so far done the least to structure and to harness to our overall goals.

As you know, our oil and gas sector has had successes in Russia: it has had at least as many setbacks. Mining, forestry and environmental services hold great potential, but some serious impasses have blocked our progress.

The legislative framework for production-sharing agreements is a key pivot. Here we would strongly urge Russia to select a wide variety of oil, gas and mineral deposits for exploration and development; to establish transparent rules of bidding; and to organize international tenders. The best technologies and companies will yield the highest revenues for government, both leveraged from a competitive bid process and over the long term. Equally important, the country will have the advantage of seeing its mineral resources developed in an environmentally responsible way, and with significant technology transfer to local Russian corporate partners. Canada at least is committed to making this sort of partnership work.

If we can commit to these strategic goals, I think we can look forward to new working groups in the sectors that will underpin our future relations. Without engaging these sectors, we will be hard-pressed to make goods and services, capital and technology really move between us.

Our countries would seem to be a perfect fit in natural resources. Canada has one of the world's largest and most competitive mining sectors, with vast international experience. Russian geology and Russian potential are probably unparalleled in the world. Once the business framework is sound, our financial markets can generate the capital necessary to launch a new era in mining development in Russia.

We can do as much, and perhaps even more, in forestry. The presence here today of Mr. Serov's colleague, Russian Minister of Natural Resources Viktor Orlov, is a sign that we should not let these opportunities go unseized any longer.

There is also work to do to make the natural connections between us in power generation and transmission. Our ambassador recently met with United Energy Systems, the Russian national electricity company, and by some measures the largest utility in the world. Canadian companies can help retool the Russian power sector. We are a potential Russian partner in high-voltage direct-current

transmission from Irkutsk to China, and Russia as an energy exporter — like Canada — has a real interest in becoming "interconnected" with neighbouring markets, and the world.

Building on solid foundations, our next efforts belong to aerospace, telecommunications, mining and all other sectors of promise. I look forward to your proposals, to our discussions and to your advice.

I spoke earlier of positive developments in the Russian business climate. After years of exploring new markets in Asia and Latin America, Canadian companies are now picking up the trail to Moscow and the other 88 Subjects of the Russian Federation. More and more quality Canadian enterprises are taking a serious look at business opportunities in Russia.

This new interest is apparent in the Financial Forum, in the launch of the Canada-Russia Business Forum in Toronto last week, and in the strengthening of the Canadian Business Association in Russia, the Canada-Eurasia Energy and Industry Alliance in Alberta and our Western Canadian links with the Russian Far East, and North.

Mr. Serov, our work plan is quite full and our time is quite limited. We should aim to use this opportunity to bring to our respective business communities the relevant, accurate business information that will allow them to press ahead with their projects.

Business people require stability, transparency and predictability in a legislative and fiscal framework. They also need a strategic sense of where Russia and Canada see their greatest potential, and of what governments are prepared to do to unlock it.

Let's take advantage of the momentum in your reforms, and the interest in our business communities. Let's use the session before us to show that our future as business partners is still only just beginning.

Thank you.

Statement

97/41

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE DAVID KILGOUR
SECRETARY OF STATE (LATIN AMERICA AND AFRICA)
AT THE OCTOBER MEETING OF
THE DIPLOMATIC PRESS ATTACHÉ NETWORK
NATIONAL PRESS CLUB

"CANADIAN FOREIGN POLICY IN AN EVER-SHRINKING WORLD"

OTTAWA, Ontario
October 15, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Your Excellencies, ladies and gentlemen:

There are pressures on Canadians to look at the world through parochial eyes.

When you are located as close as we are to the United States – the country the rest of the world tends to focus on, given its political and economic might and its ubiquitous entertainment industry – it is sometimes difficult to look beyond and realize that there is a lot more out there. Just past Texas and a tad beyond Hawaii . . .

Parochial Doesn't Work Here

The truth is that Canadians cannot afford to be parochial. It is in our interests to look outward as it is in the interests of those who are less prosperous. Much of our personal security, and our national security, depends upon what happens elsewhere. A great deal of our economic well-being depends upon what happens elsewhere – evidently no other nation in the world depends more on foreign trade to create jobs and prosperity. Approximately 40 per cent of our GDP [gross domestic product] today consists of exports of goods and services – that's millions of Canadian jobs.

Think about a country that features some of the most remote and lightly populated land in the world. Then think of some of those pristine places rapidly turning into repositories for pollutants – some of which have been spewed into the air by us and some by others.

Think about a country within the confines of a world with immense military, economic and population pressures. Can that country afford to stick its head in the sand and pretend that all those massive migratory pressures are never going to show up on our doorstep?

Canada's Foreign Policy

I am speaking, of course, of Canada. And I am saying that foreign policy is of real concern to Canadians. As you know, Canada's foreign policy is based on the three pillars of national prosperity, national security, and the projection abroad of our values and culture. I am proud to be associated with it. If you look behind this convention, that UN vote, this protocol, and that initiative, I think you will find a rather firm set of Canadian values that serve us well at home and abroad.

They are a mix of idealism and practicality, based on the concept that you aren't likely to achieve practical results if there isn't some degree of idealism to your approach. Idealism is usually caught up in some kind of quest to make things better for people.

What Can Canadians Contribute?

My job is to promote Canadian interests generally in the areas for which I am responsible – Latin America and Africa. Trade has become an ever-growing focus at the department, as you might expect with the world economy opening up so much over the past decade. It goes

without saying that we at the Department of Foreign Affairs and International Trade have an obligation to do everything we can to enhance the opportunities for Canadian-based entrepreneurs to operate abroad, and to attract investment to Canada that will create jobs here. Only last weekend, I met a Brazilian now landed in Canada who exports Canadian made anti-theft devices to 15 car dealers in Rio. A friend in southeast Edmonton publishes books there, which he sells on the Internet to Asians, Europeans and Latin Americans.

But what else can we do to help create the kind of world that is likely to value the kind of society that Canadians have put together – rather than threaten it?

An Independent Voice

Since 1989, we have moved from a bipolar world to one in which one superpower dominates the international scene. By necessity – but also through shared values – the United States is to many Canadians our best international friend.

Most Canadians appreciate the role which the United States plays in intervening in difficult situations around the world. And we all celebrate the end of the Cold War, which fuelled so many conflicts in so many places between 1945 and 1989.

The current unipolar world obviously doesn't come problem free. If medium- and small-sized states do nothing more than acquiesce to one country's leadership, then whatever brand of thinking prevails in that country at any given time will also prevail internationally.

That isn't humanity's way, and it certainly isn't the American way. We can't abdicate our responsibilities, and it isn't in any Canadian interest that we do so. Thankfully, we have not. We have worked hard in many forums – including the G-7 – to make our influence felt.

We work in partnership with the United States on most important issues because the two countries share a lot of values. But we Canadians must speak up – as we have in the past – when we have something different to say. That is the very essence of democracy. And democracy is what we are counting on to help bring self-determination and relative prosperity to billions of people around the world.

Appointment to the Department of Foreign Affairs and International Trade

If I may enter a personal note here, the two passions to which I have just referred – a determination to maintain an independent voice, but a complementary one to play a role as part of a team that can do things to make the world a better place – these are two things that have sustained me in political life.

There have been times when I stood alone. I had to; because I believed in what I was saying; and wasn't about to swallow convictions.

Now I am a proud member of the Government of Canada – part of a great team. My appointment by Prime Minister Jean Chrétien as Secretary of State for Latin America and Africa was a great honour. I think it shows that people who aren't always yes men – or yes women – can command respect on both the national and the international scene, and that is what Canada aspires to.

Latin America and Africa

Latin American, Caribbean and African countries have made it clear to us that it is important to have us around, often because Canada doesn't always feel compelled to say yes.

Africa's emergence as a stable, prosperous continent is important to every other continent in the world. The Canadian bond with Africa has continued to build since the days of John Diefenbaker and Mike Pearson. Both leaders saw what Africa means to the world and is capable of contributing. I am an Africa optimist.

The end of apartheid in South Africa and the spread of democracy in many other African countries gives the world increasing hope that Africa's potential will be realized. We Canadians must continue to lend assistance.

As for Latin America, I can remember when it was a peripheral, far-away place for most Canadians.

How things have changed! Canada and Latin America have recognized each other's political and economic importance within the hemisphere. In the 1990s, Canada has clearly become, finally, a nation of the Americas. The other big change is democratization. Suddenly the whole western hemisphere is home.

Canada's decision to occupy its long-vacant chair at the Organization of American States [OAS] and our new free trade agreement with Chile are two indicators that this is going to be an increasingly meaningful relationship in the 21st century. Through the OAS, the Summit of the Americas, the NAFTA [North American Free Trade Agreement], and the FTAA [Free Trade Area of the Americas] process, Latin American and the Caribbean are beginning to take their rightful place in the Canadian public eye.

Prime Minister Chrétien and Foreign Affairs Minister Axworthy have made it clear through recent visits that they consider Central and Latin American a Canadian priority. Much can be gained by better bonding the northern and southern extremities of this hemisphere. There is strength in regional unity, and that strength should be as balanced as we can make it in the circumstances.

Between January 11 and 23, Prime Minister Chrétien, along with provincial and territorial leaders, will lead a Team Canada mission to Mexico, Brazil, Argentina and Chile. Team Canada missions are an important component of Canada's international business development efforts. Exports are vital to the Canadian economy; every \$1 billion in exports creates or sustains 11 000 jobs in Canada. The mission to Latin America will send a strong signal to prospective partners in the region that Canada is committed to doing business with them.

A Recent Visit to Chile and Bolivia

Recently, I had an opportunity to see just how useful a hemispheric role Canadians are capable of playing. When I visited Santiago — the capital of a country that in a very short time has become an important trading partner for Canada — I was presented with clear evidence of how a very good business deal for Canadians can dovetail with improved living conditions for all Chileans.

Smog is a huge concern in Santiago and the problem is heightening because of the high terrain surrounding the city. The week before my visit to Chile, the great tenor Pavarotti had called off a concert because vocal chords don't respond well to heavy levels of pollution.

I swallowed my share of smog, and I listened to local health authorities express their fears about the long- and short-term health dangers it presents to Chileans. I also got a chance to attend the opening of the GasAndes Project headed by Nova Corp., and to rejoice in the fact that Canadian technology, Canadian management expertise, and Canadian governmental assistance is going to help make things better — perhaps to the point that Pavarotti will eventually show up. I hope he wears a Canadian flag crossed with a Chilean flag on his T-shirt when he sings.

I also visited Bolivia. The bad news is that I saw a people that for too long have suffered from endemic poverty. The good news is that I was able to witness the beginning of a turnaround that is creating major investor interest, and that is also beginning to provide tools — such as microcredit and a government pension fund — to give all Bolivians a chance to make something more of their lives.

Bolivians, of course, are creating their own destiny, but Canada is going to play at least something of a supportive role in that turnaround.

Visit to Uganda, Rwanda and Kenya

Recently, I have visited Uganda, Rwanda and Kenya and have seen for myself that Africa is changing and our stereotypes are obsolete. In Kampala, I learned that fully 2000 companies have located operations in Uganda in recent years. Similarly, in Rwanda, close observers say that there has been real economic progress for some — certainly not all — since the catastrophe of 1994, and that the government in office is genuinely seeking reconciliation among its constituent

communities. In Kenya, despite large problems there appears to have been a national stepping back from the abyss recently. Our delegation arrived shortly after a multi-party committee of Members of Parliament had agreed on a comprehensive package of reforms, which now appears to be on its way to enactment in full before the election, which must be held in this calendar year. In short, there is a basis for optimism in all three nations.

Those are positive stories. Canada's relations with those countries have helped bring about positive changes.

I would argue that Canada's foreign policy in the 1990s has not only been for the most part intelligent. It is has often been exciting, particularly in recent years.

Landmines

Let's look at Canada's campaign to ban anti-personnel landmines. It is perhaps the most obvious example of this country taking a lead on an issue that could have been ignored because:

- (a) it wasn't popular in military circles; and
- (b) it does not personally concern many important people around the world.

Important people don't spend a lot of time walking through fields and down bush paths that are likely to explode under them at any given moment. Millions of poor civilians do.

It is an important issue. It tells ordinary people that they matter. There are an estimated one hundred million land mines lurking around the world, waiting to blow children to bits — for no other reason than that these kids took one false step on land that should sustain them.

So, as you know, Canada has played a significant role in the grass-roots activism that should lead us — must lead us — to a meaningful international accord on the banning of anti-personnel mines.

In early December, more than 90 countries are expected to sign a treaty toward this end in Ottawa, as one more step in what has become to be known as the "Ottawa Process." Canadians should be proud.

The United States hasn't come on board yet. This is a shame — particularly given the role that the U.S.-based Nobel Prize-winning International Campaign to Ban Land Mines has played in driving this issue since 1992.

Again, this is why independent voices are so important on the current international scene.

Human Security

The fight to obliterate anti-personnel landmines is just one component of Foreign Affairs Minister Lloyd Axworthy's commitment to the concept of sustainable human security, which, as most of you know, he has twice advanced in formal presentations to the United Nations General Assembly.

The concept recognizes that the ugly face of war has changed. It recognizes that, while people around the world are less often victims of nation-to-nation combat, they are increasingly coming under other types of more complicated – but equally-lethal – assaults.

Canada's decision to play a major part in defeating Naziism during the Second World War involved a clear-cut decision to declare war and send troops. In the 1990s, waging war against tyranny and injustice can be more complicated.

Think of these threats to world security and well-being:

- the needs of more than a billion people living in poverty;
- clean water shortages, the leading cause of death in the developing world;
- attacks on the human rights of individuals and groups within their own societies;
- terrorism and international crime;
- denigration of the lives and livelihoods of people everywhere through depletion or pollution of natural resources.

These are ominous and ever-encroaching enemies. They don't all fit into the old categories deemed to threaten world order. We need to find ways to combat them.

We can't just keep cranking up the fire trucks every time the flames appear. We need to find ways of pre-empting these problems. That is why Canada wants the United Nations and other international agencies to try to come to grips with the concept of sustainable human security. We are proud of our role as international peacekeepers, but we need to start developing new tools as well, to respond to new challenges.

Human Rights

There may have been a time when the entire populations of countries could be blindfolded to the benefits of living freely, but those days are disappearing. Communications are too pervasive. People don't want to live in national prisons, and sooner or later they are going to find ways of breaking free.

Where Canada has made a niche for itself in the area of human rights is in supporting change from within. This approach is evolutionary, not coercive. Even if we wanted to force change, we have to face the fact that Canada simply does not have the economic leverage or the international clout to do so. We can, however, work from within to support NGOs [non-governmental organizations] and develop a space in which civil society can grow.

Support for human rights improvements can take different avenues. In countries that are prepared to engage with us on even a limited scale, such as Cuba, we will work for evolutionary change. For regimes that are unwilling to enter into any sort of dialogue or exchange whatsoever, such as Burma or Nigeria, we work for broader international action to press those regimes to change their ways.

Next year we will celebrate the 50th anniversary of the Universal Declaration of Human Rights. Canada will do its utmost during the year to convince governments everywhere that the suppression of human rights can only lead to the kind of bitterness that creates political uprisings. Canada will be sponsoring a broad range of activities during the year, including a conference on the use of the Internet on behalf of human rights, development of a prototype annual report on the state of human rights worldwide, and an NGO conference that will analyze and evaluate the impact of the 1993 Vienna Declaration.

We aren't perfect. We even have work to do in our own backyard on issues of the environment and human rights — issues that are so important to us internationally. But while we are working on our own problems, we have to be working on the world's problems too. Because, when the circle is closed, they are our problems too.

Let me give the final word to Octavio Paz, the Mexican diplomat and poet. In his reflections on contemporary history, *One Earth, Four or Five Worlds*, Paz notes that all great nations have prudence, which he defines as wisdom and integrity, boldness and moderation, discernment and persistence in undertakings. The aim of our country both domestically and internationally should be this notion of prudence.

Thank you.

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Statement

97/42

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NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY
MINISTER OF FOREIGN AFFAIRS
AT MCGILL UNIVERSITY

"HUMAN RIGHTS AND CANADIAN FOREIGN POLICY:
PRINCIPLED PRAGMATISM"

MONTREAL, Quebec
October 16, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Next year is the 50th anniversary of three events that have defined the past half-century: the drafting of the Universal Declaration of Human Rights, the Berlin airlift and the establishment of the system of apartheid in South Africa. The Berlin wall has crumbled. Apartheid has been dismantled. But the Universal Declaration has grown in strength and stature over the past 50 years.

The year 1998 marks a turning point for the international protection of human rights – the end of the Cold War and the forces of globalization have both presented new opportunities and unleashed new risks to human rights. Forward progress depends on countries like Canada being able to adapt the tools they use to promote human rights in this changed international environment and to build on the legacy of the Universal Declaration.

Today I want to talk to you about the reasons why human rights figure in Canada's foreign policy. How the changing international environment has complicated our task. The link between our human rights policies and issues of peace and security, trade and development. And what uniquely Canadian contributions we can bring to the international protection of human rights.

Why Human Rights in Canadian Foreign Policy?

Respect for human rights, both internationally and within Canada, is crucial to government policy. Canada's human rights policies are firmly anchored in values fundamental to Canadians. These values are reflected in our democratic institutions and practices, in federal and provincial human rights commissions, in the Charter of Rights and Freedoms and in our traditions of peace, order and good government.

And of course, they are integral to our foreign policy – in fact, in our international relations, human rights could be considered a "threshold issue." Human rights will be a consideration in any relationship we have, whatever its other aspects, from the moment we enter into that relationship.

This is not pure altruism or idealism. A principle-centred foreign policy reflects Canadian values but also serves Canadian interests. With trade, travel and telecommunications linking countries more closely together than ever, each individual country has a growing stake in how other nations govern, or misgovern, their citizens. Mature democracies are less likely to go to war with each other, unleash waves of refugees, create environmental catastrophes, or engage in terrorism.

Jobs and growth at home are increasingly dependent on trade and investment abroad. States that respect human rights and the rule of law are more likely to honour their commercial commitments. The health of the international economy is linked to issues of stability and security. All of this means that respect for human rights is an imperative of living in a global society.

A Canadian Approach to Human Rights

Our approach to international human rights is rooted in and reflects our approach to human rights at home. Canadians are deeply attached to democratic government that is transparent, accountable and participatory. They believe in the rule of law and in legal institutions to remedy injustice. There is a deep commitment to voluntarism and self reliance, reflected in our vibrant civil society. Canadians respect diversity and difference, tolerance and equality. They demand respect for the rights of women, Indigenous peoples and marginalized groups. There is a consensus that all parts of our society – public, private and non-profit – have a legitimate role to play in the promotion of Canadian values at home and abroad. These qualities mean that we have something uniquely Canadian to bring to the international community. This is the "value-added" that we bring to the world.

We have never claimed to be the world's conscience. But we have come to be regarded internationally, on the basis of our record, as a country motivated by conscience as well as by interest.

Key is the fact that Canada does not expect other governments to respect standards to which it is not committed itself. As a signatory to all the principal UN [United Nations] treaties on human rights, Canada regularly submits its human rights record to review by UN monitoring bodies. Our expressed commitment to tackle child poverty at home helps make credible our actions on children's rights internationally. The same can be said for our international work on the rights of women, on freedom of expression and peacebuilding.

We have also come to be regarded as a country others can trust. Our humanitarian assistance and development co-operation have helped us build partnerships with a great many countries. Our bilingual and multicultural heritage, geographic location on the Atlantic, Pacific and Arctic Oceans, and memberships in regional and international organizations – la Francophonie, the Commonwealth, NATO [North Atlantic Treaty Organization], the OAS [Organization of American States] and others – standing with countries from every region of the world.

Our record may give us international standing to speak and act on human rights issues, but we have to be realistic about the extent of our leverage. We are neither inclined nor able to dictate.

Our policy has been guided above all by pragmatism: a principled pragmatism where we try to determine the concrete steps that will bring about positive and effective change in the country in question.

The steps we take will necessarily vary from country to country – depending on the degree of willingness to engage with Canada on

human rights questions, our leverage with that country or in the region, the number and strength of indigenous human rights NGOs [non-governmental organizations], the capacity of the country to build judicial, legal and human rights infrastructure, and a range of other, complex factors.

At times, the Government has been criticized for being inconsistent in its approach to different countries' human rights records. But a coherent human rights policy does not require or even imply uniformity of treatment. It would be easy to take very public stands on every human rights abuse in every country, and it might be very popular in Canada to do so, but this would not, on its own, change much in the country concerned. The potential for effective action varies with each situation and each country. The key is to find the right foreign policy tools to fulfil that potential.

The Changing International Environment

But the choice of which foreign policy tools we use to promote respect for human rights has been greatly complicated in recent years. The forces of globalization and the end of the Cold War have created new opportunities for international human rights work, but they have also unleashed new risks.

With globalization, people, ideas, goods and culture began to move across international borders at unprecedented rates. The concept of state sovereignty became more porous. It could no longer serve as an absolute barrier to international scrutiny of human rights abuses.

This allowed the development of a range of mechanisms — treaty bodies and rapporteurs — to try to narrow the gap between the international human rights obligations of states and their actual practice. The Vienna World Conference on Human Rights in 1993 and the Fourth World Conference on Women in 1995 clearly affirmed the universality and interdependence of international human rights norms. We are approaching universal ratification of some international human rights treaties, for instance only two countries have yet to ratify the Convention on the Rights of the Child.

All of this means that unlike the situation 50 years ago when the Universal Declaration was drafted, it is now clear that a state's treatment of its own citizens is a legitimate concern of the international community. International standards and mechanisms have been agreed to by a critical mass of states from all regions of the globe.

Next year is the 50th anniversary of the Universal Declaration of Human Rights and the five-year review of the Vienna Conference.

To help launch the 50th anniversary, Canada will be sponsoring a broad program of activities, including:

- a conference on human rights and the Internet, to draw together work being done in many international forums on this issue, with a focus on strategies for using the Internet to increase respect of human rights;
- development and publication of a prototype annual report on the state of human rights worldwide, based on the findings of the UN's independent human rights mechanisms; and
- a conference reviewing the impact of the 1993 Vienna Declaration, to be held by Canadian non-governmental organizations as one of the many activities they are organising in support of the anniversary.

On the eve of the 50th anniversary of the Universal Declaration, it could well seem that the world is in an ideal position to make a quantum leap forward on respect for human rights.

But globalization and the end of the Cold War have also brought about new threats to human security. In the new international environment of innovation and rapid change, some individuals, groups and nations have done well, but many others have not – and the gap seems to be growing. The reaction of some of those who are not succeeding is to retreat to sometimes extreme values as a way of asserting their identity. Ironically, this risk is perhaps heightened by the trend in a number of countries away from authoritarian regimes towards democratic forms of government. Although the ultimate result should be a more peaceful international community made up of mature, stable democracies, the period of transition may be highly volatile.

This has meant that, over the last decade, there has been a marked increase in the number of intra-state wars. Bloody confrontations in the Balkans, the Great Lakes region of Africa, Chechnya and elsewhere have dashed some of the hopes of the post-Cold War era. Genocide and ethnic cleansing have become an all too frequent occurrence in our age.

This rise in intra-state conflicts, together with increasing economic disparities among regions and states, transboundary environmental pollutants, and transnational organized crime have profoundly changed the way we approach international diplomacy. First, we have come to realize that global problems require global solutions – they cannot be addressed by states acting in isolation. Second, we have also come to realize that human rights cannot be separated from questions of international peace and security, the international trading environment and development.

Canada's International Human Rights Framework

How have we adapted Canada's international human rights policy to respond to this sea change in the international environment? While in the past international diplomacy might have focussed primarily on the security of state borders, increasingly in recent years it has focussed on the security of the individual. And where in the past we may have turned to clear-cut military or diplomatic approaches to security threats, now we have to engage a whole range of foreign policy levers:

From "soft power" measures such as:

- democratic development or peacebuilding,
- improving trading relationships,
- facilitating the work of NGOs and the private sector, and
- engaging in bilateral human rights dialogues,

to "hard diplomacy" coercive measures such as:

- marshalling international condemnation in resolutions at the UN Human Rights Commission
- imposing sanctions, and
- sending peacekeepers.

Labour standards and children's rights, impunity and peacebuilding, military expenditures, the export of small arms and landmines – all have a human rights dimension. In essence, we now approach human rights through the more comprehensive lens of "human security," involving not only remedial action, but also a range of other measures to prevent human rights abuses and to address their root causes.

We are slowly finding our way. Building respect for human rights takes time – it is slow to achieve, prone to reversals and requires sustained action on the bilateral and multilateral fronts. It demands a comprehensive and flexible approach that takes into account the link between respect for human rights and our foreign policy tools in the areas of peace and security, development and trade.

A Comprehensive and Flexible Approach: the Example of Children's Rights

Children's rights provide a clear example of how we are involving a range of actors – governments, civil society and the private sector

– and all of our foreign policy tools to try to tackle a pressing problem.

Within Canada, the Throne Speech of 1996 launched international children's rights as a priority. This year's Speech from the Throne made a renewed commitment to tackling children's poverty. Domestic legislation has been amended to allow prosecution of Canadians who engage in commercial sexual activities with children while abroad.

We are working on a number of multilateral fronts to draft new international standards to protect children:

- an Optional Protocol to the Child Convention on the sale of children, child prostitution, child pornography,
- an Optional Protocol; on children in armed conflicts, and
- a new ILO [International Labour Organization] convention on the elimination of the most intolerable forms of child labour.

At the end of September we hosted a preparatory meeting for the main donor countries invited to the Oslo Child Labour Conference. At the same time, we are working with the non-governmental and private sectors to support their work on children's rights. Senator Landon Pearson, my Special Advisor on children's rights, has conducted extensive consultations with Canadian non-governmental organizations to help develop Canada's international policy on children's rights. We have launched the Child Labour Challenge Fund, aimed at supporting the efforts of the Canadian private sector to develop codes of conduct and programs to combat exploitative child labour.

Children's rights have figured prominently on the agenda of the Canada-Cuba Joint Committee on Human Rights as an area for co-operation. We have introduced the issue of child labour into our bilateral relations with a number of countries, India and Thailand for example, establishing specific funds and development assistance projects targeted at child labour, and sexual exploitation.

The point is that governments acting alone are not capable of addressing human rights problems that are global by nature. To address violations of children's rights, we have had to:

- change our own domestic legislation,
- draft new international standards,
- work in partnership with the non-governmental organizations and with in the labour, development and business sectors.

Nowhere is the link between human rights and human security clearer than in issues of children's rights. By protecting the rights of

the world's children, we are nurturing a future generation of citizens with both the means and desire to live in peace.

The Links Between Respect for Human Rights and Peace and Security: The Canadian Peacebuilding Initiative

The link between human rights and building sustainable peace in countries prone to recurring cycles of violence is clear. Human rights abuses are a key diagnostic tool for early warning of emerging conflicts, identifying vulnerable populations for humanitarian assistance during conflict, and assessing progress in fragile periods of post-conflict reconstruction. In countries torn by inter-ethnic conflict, ensuring respect for the human rights of every sector of the population is key to building sustainable peace.

The wealth of skills and institutions that Canadians have developed in nurturing our own democracy can be put to good use in countries emerging from conflict. We have developed these skills in our legislatures and our electoral authorities, in our local governments and our media newsrooms, in our police forces, our courts and our university classrooms. Canadians young and old, in business, labour, non-governmental bodies and the professions have expertise that could be deployed abroad in building sustainable peace.

The establishment last year of the Canadian Peacebuilding Initiative, including the Canadian Peacebuilding Fund and a roster of Canadian human rights experts, aims at increasing Canada's capacity for rapid, co-ordinated and flexible responses to intra-state conflicts. It also demonstrates our commitment to ensure that Canadian capacities are identified and deployed quickly and effectively in response to human rights emergencies.

As an example of concrete ways in which the Peacebuilding Initiative can be used to address human rights emergencies and to build respect for human rights in countries emerging from conflict, over the last six months we have used the Fund to:

- provide critical start-up funding for the Guatemala Historical Clarification Commission;
- assist the Preparatory Commission for the Establishment of an International Criminal Court by underwriting the participation of delegates from developing countries;
- provide financial assistance for the work of the joint UN/OAU [Organization of African Unity] Special Representative for the Great Lakes Region of Central Africa; and to
- establish a project to enhance free media in the Balkans.

The Links Between Human Rights and Sustainable Development

The Peacebuilding initiative is one of many examples of how we inject human rights concerns into our development assistance. In November 1995, the Government introduced its policy for CIDA [Canadian International Development Agency] on Human Rights, Democratization and Good Governance to enhance the will and capacity of developing countries to respect human rights and govern effectively in a democratic manner. For some of the principal recipients of Human Rights and Democratic Development Assistance, for instance Haiti, Rwanda, Guatemala, and El Salvador, what began as short-term responses to crises have become long-term development strategies aimed at institutional development, rebuilding justice systems and strengthening civil society. In every region of the world, human rights development assistance has been channelled to countries in the midst of transition from conflict to peace or from authoritarian to more democratic forms of government.

We have also been encouraging the international financial institutions to look at issues of "good governance" in their policies and programs. Experience shows that the success of development programs and macro-economic reforms hinges on the establishment of stable, predictable and transparent systems of government. Stable governments are those which respect human rights and the rule of law. That is why we have been pushing issues of good governance in the World Bank, the regional banks and the OECD [Organization for Economic Co-operation and Development], and discouraging excessive military expenditures in recipient countries.

The Links Between Human Rights and Trade

But perhaps the most sensitive issue is the relationship between trade and human rights. Critics of engagement see a dichotomy between trade and human rights. I would argue that it is a false one.

Trade on its own does not promote democratization or greater respect for human rights. But it does open doors. It creates a relationship, within which we can begin to speak about human rights. In addition, as countries open up to foreign trade and investment, they come under increasing pressure to respect the rule of law – and they see more and more reasons why it is in their own interests to do so. The key issue here is not a crude choice between trade or human rights, but rather a need for responsible trade.

This requires a look at the specific type of economic activity involved, in terms of its social impacts. In this context we have focussed on issues such as core labour standards, codes of business conduct and excessive military expenditures.

We are working diligently in the ILO to promote broad international commitment to core labour standards with strengthened promotion and monitoring mechanisms and to examine the social aspects of liberalized trade. We took a leadership role at last year's WTO [World Trade Organization] Ministerial meetings in producing commitments to observe internationally recognized core labour standards and to support the mandate and work of the ILO. On voluntary codes of business conduct, we supported the initiative taken this September by the Alliance of Manufacturers and Exporters Canada and a group of Canadian businesses to develop an International Code of Ethics, aimed at issues of corruption, fair labour practices, human rights and health and safety.

The Growing Importance of Civil Society

A common thread running through all of these examples is the key role played by civil society. Globalization has radically transformed the role and power of the non-governmental sector to effect change internationally. The bi-polar world of the Cold War has been replaced by a world with multiple centres of power, where states have to share the international arena with a growing number of non-governmental organizations, the private sector and individuals.

I need only look around the Faculty of Law at McGill University to find a great many examples of the vital work individual Canadians, academic institutions and organizations do every day to promote human rights. Professor John Humphrey, who taught international human rights law here for many years, was one of the original drafters of the Universal Declaration and the first Director of the UN Centre for Human Rights. The Department of Foreign Affairs and International Trade turns to Dean Stephen Toope to train our diplomats in international human rights law and to provide expert advice, particularly on rule of law issues where he has been working in the field in Sri Lanka, South Africa and elsewhere. Professor Irwin Cotler, through Inter-Amicus and the "Human Rights in Canadian Foreign Policy" project has provided an invaluable perspective on how human rights fit into our foreign policy agenda. The International Centre for Human Rights and Democratic Development, housed in Montreal, has also been a key player on the international scene, for instance with their work on issues such as violence against women and impunity.

Given the growing importance of civil society, it is both necessary and fitting that we have adapted the way in which Canada develops and implements its international human rights policies. We were the first and, to my knowledge, are still the only country to hold extensive consultations with our NGOs prior to each session of the UN Commission on Human Rights. The Centre for Foreign Policy Development has been holding round tables of human rights experts on Asia, gender and peacebuilding and a range of other issues.

But of even greater importance, on human rights issues, it is Canadian non-governmental organizations, academics and aid workers who are on the front lines, reporting on violations, monitoring compliance and working to implement many of the human rights, good governance and democratic development programs that Canada funds. And it is NGO workers who face great risks in supporting the cause of human rights around the world.

Making Human Rights an Integral Part of Foreign Policy: Principled Pragmatism

I said at the outset that respect for human rights is integral to all of our international relations. The way we conduct our foreign policy – be it in the peace and security, trade or development fields – is intimately linked to our overall goal of protecting human rights and achieving human security.

The Government cannot achieve progress on its own – we need the partnership and active engagement of individual Canadians, non-governmental organizations, the business sector and academic institutions.

Pragmatism is key to our approach. We have to balance two realities – first, the need to respond rapidly to human rights emergencies and second, the fact that development of a global human rights culture takes time and sustained effort on several fronts.

Where Canada has made a niche for itself, and perhaps the most distinctive feature of our human rights policy, is in supporting change from within. The Canadian approach involves what a participant in one of our round tables called "supporting local champions" to effect direct change. We believe that the impulse towards respect for human rights is inevitable, but at the same time we are realistic about some of the governments we are dealing with. We do not expect these governments to become sudden converts to the cause of human rights. But they will yield gradually – because they have no choice – to pressure for change from within their own societies.

This approach is evolutionary, not coercive. Even if we wanted to force change, we have to face the fact that Canada simply does not have the economic leverage or international clout to do so. We can, however, work from within to support NGOs and develop a space within which civil society can grow.

In recognition of this, Canada has recently undertaken a series of new bilateral human rights initiatives with Cuba, China and Indonesia. Our aim is to work with a range of counterparts in other countries to establish government-to-government discussions, exchanges between human rights institutions, civil society initiatives, and projects on the development of free media.

This approach will not always succeed. Even where bilateral dialogues are possible, other channels need to be kept open to ensure concrete results. And where dialogue or engagement is impossible, one needs to resort to mobilizing international condemnation. Canada has, for more than 50 years, made multilateralism a centrepiece of our foreign policy.

Multilateralism serves us well when we need to deliver difficult messages by providing not only balance but weight to our messages. Regimes such as Nigeria and Burma have increasingly isolated themselves by refusing to co-operate with United Nations human rights mechanisms, refusing to engage with Canada, the European Union or others on human rights questions, and refusing to honour their international commitments. It is in cases such as these that the more coercive measures may be the last and only resort.

I said at my first annual consultations with NGOs, in early 1996 shortly after becoming foreign minister, that neither megaphones nor silence would help us meet our objectives. If the world were black and white, with "cartoon character bad guys" then it would be easy to take very public stands on every human rights abuse in every country. But this is a complex world. It is characterized, on the one hand, by new threats to human security, and on the other by a shift to democratic regimes and new opportunities to engage civil society. We have to rely on a wide range of foreign policy tools to achieve our goals. We are learning to adapt to the post-Cold War world. We are trying new approaches, and constantly reviewing, adapting and refining these tools as we learn from our mistakes and successes.

I don't imagine that by supporting human rights, Canada can make a perfect world. But I do believe we can make a difference and that we have a uniquely Canadian contribution to make, one which adds value to international work to protect human rights.

Thank you.

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Statement

97/43

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE DAVID KILGOUR
SECRETARY OF STATE (LATIN AMERICA AND AFRICA)
TO THE COLLOQUIUM ON
CANADA WITHIN THE CONTINENTALIZATION OF
THE AMERICAS: BALANCE AND PERSPECTIVES
UNIVERSITÉ DU QUÉBEC À MONTRÉAL

MONTREAL, Quebec
October 16, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Good afternoon:

To begin, I would like to congratulate the Chaire Téléglobe, Raoult Dandurand, en études stratégiques et diplomatiques, for organizing this colloquium on "La continentalisation des Amériques: la place du Canada?" My remarks will focus on the growing Canadian engagement within the hemisphere and the main challenges I see arising from it.

I came back recently from my first visit to Chile as Secretary of State for Latin America. This was an opportunity for me to see a country that is turning the corner and is now receiving major investor interest. I witnessed impoverished people who now have some tools to try to improve their lives, from microcredit to the new government pension funds for all.

Chile is already a major bilateral trading partner for Canada, and part of our four-way alliance of the "four amigos." What struck me in Santiago, where I attended the opening of the GasAndes project, headed by Nova Corporation, was the fit between a very good business deal and an important environmental breakthrough for the residents of that city, who are choking on urban smog. The week before we arrived, Luciano Pavarotti had called off a concert because the air was too polluted for him to perform. When I viewed the city from a local vantage point, the heavy choking inversion was visible and the health authorities were talking about the long-term impact on citizens, particularly the elderly and children. Canadian technology, Canadian management and Canadian governmental support made the GasAndes project happen. It is something to be proud of, and it will forge a friendship that reaches well beyond those directly involved in the consortium.

Chile is but one illustration of how much the region has changed, as has Canada's own place in the Western Hemisphere.

Until recently, it is fair to say that relations among the countries of the Americas, including Canada, were characterized by a lack of coherence and sustainability. It is true that Canada's relations with the Caribbean date from the 17th century, and that the United States has always loomed large in our collective consciousness – and indeed in our development as a nation. Nevertheless, our traditional links with Europe tended for many years to obscure the determining role played by geography and increasingly by history in Canada's position vis à vis its own hemisphere. Canada's engagement in the region was sporadic, frequently conceived as a complement or a counterbalance to U.S. policies, and coloured to a substantial degree by our reluctance to wade more deeply into an area often characterized by political turmoil and economic volatility.

As the decade of the 1980s ended, it became increasingly clear that a fundamental and possibly irreversible transformation was taking place in Latin America. Economic reform based on macro-

economic stability and market-oriented measures was adopted by practically all the countries in the region. Democratically elected governments became the rule. Internal armed conflict, which had marked most of Latin America after 1960, gave way to peace processes, often, as in the case of Central America, with international – including Canadian – participation. As military governments disappeared, gross and systematic violations of human rights also became less of a defining feature. Civilian governments became more sensitive toward deficiencies in their human rights record.

Globalization was becoming a fact, and the introduction of reforms by our hemispheric neighbours reflected the consciousness that they needed to adapt their societies. Canada, as the second-largest economy in the region, with a long and deeply ingrained democratic tradition, also became aware that it possessed many of the tools, much of the expertise and a high level of credibility which could be used to assist our region in effecting this transformation.

This decade has witnessed unprecedented progress in Canadian involvement with the Americas. In 1990 we joined the Organization of American States [OAS], a clear signal of our desire to play a more active role in hemispheric issues and to contribute towards the revitalization of regional inter-governmental institutions.

In the early 1990s, Canada negotiated the North American Free Trade Agreement with the United States and Mexico, the first regional trade agreement in the world involving developing and developed countries. During the same period, we extended our resident diplomatic representation to practically all the countries of the region. In 1994, Prime Minister Chrétien participated in the Miami Summit of the Americas, where leaders of 34 democratically elected countries agreed on a partnership for development and prosperity, founded on a commitment to democratic practices, economic integration and social justice. This represented an unprecedented commitment to working together on these fundamental issues.

In 1995, the Canadian government in its Foreign Policy Statement identified Latin America as one region where our geographic location gives us an important advantage. This year, Canada and Chile concluded a free trade agreement. Last month, the Quebec National Assembly, with the support of the Parliament and Government of Canada, hosted a first-ever Parliamentary Conference of the Americas, which addressed the process of economic integration and recognized the essential role of parliamentarians in it.

At that conference, Prime Minister Chrétien announced the January 1998 visit of Team Canada to Mexico, Brazil, Argentina and Chile. In April, the Prime Minister will participate in the Second

Summit of the Americas in Santiago, where leaders are expected to launch negotiations for a Free Trade Area of the Americas [FTAA]. In 1999, the Pan American Games will be held in Winnipeg. And in 2000, to celebrate the 10th anniversary of our membership, Canada will host the OAS General Assembly.

Canadian involvement in the hemisphere goes well beyond participation in conferences and events. Over the past four years, Canadian exports to the region increased from \$2.6 billion to \$5 billion; this is more than our exports to France and Germany combined. Exports to Brazil are four times those to India. Canadian investment in the region has also increased, from \$6 billion to \$15 billion. A growing number of Quebec companies, including Alcan, Bombardier, Bell Canada, SR Telecom, Harris Farinon, Group Saint Mobile and Les Camions Waltek, to name but a few, are active in the region. Despite this – and the fact that Canada enjoys comparative advantages in sectors such as resource exploitation, information technology and infrastructure development – our share of the market remains at less than 3 per cent. We have just scratched the surface.

Our economic ties have been aided by the growing number of Canadians, now in the hundreds of thousands, originating from every country in Latin America and the Caribbean. Their presence has enriched our own culture, forged unbreakable bonds and sensitized our country to the promise and the richness of the Americas.

Canada is well respected in the region. We have capitalized on our reservoir of political goodwill to obtain solid Latin American and Caribbean support on such initiatives as the banning of anti-personnel landmines, the extension of the UN mandate in Haiti, opposition to legislation with extraterritorial application, such as the Helms-Burton law, and adoption of a multilateral anti-drug strategy. We have been able to play an active role as a bridge-builder in the process to launch negotiations for an FTAA.

Our development assistance programs contribute \$800 million yearly to the region and aim at fostering political, economic, social and environmental sustainability. Our programs place particular importance on traditionally marginalized groups, such as women and Indigenous peoples, in recognition that their integration into the full economic life of a country is an important prerequisite for development and preservation of democracy and security.

In short, Canada has built a multifaceted and influential presence in the hemisphere in recent years, which we intend to use in shaping the changes that are taking place so that they reflect our values. This will entail, in my view, three major challenges:

- 1) ensuring that economic integration leads to prosperity with equity, thus aiding in the enhancement and preservation of democracy;
- 2) strengthening democratic institutions and practices and enshrining the concept of sustainable development in the region; and
- 3) promoting human security, particularly for the most vulnerable groups of society, as a key concept in policy-making in the hemisphere.

Let's examine how Canada is addressing these challenges.

Prosperity with Equity

As the theme of this conference clearly illustrates, economic integration is a predominant trend in the region, buttressed by growing evidence of its beneficial net impact on job creation and income levels. As a government, we are firm believers in establishing rules-based trade regimes to foster an open and predictable free-trading environment as a crucial element in enhancing prosperity, including our own. It is the reason why Canada is a strong supporter of an FTAA.

The evidence is less conclusive on whether integration necessarily leads to the narrowing of income disparities. This is a particularly serious issue in most of this hemisphere, where incomes are one of the most unequally distributed in the world. This in turn is a most formidable challenge to the very existence of democratic governments in the region for the foreseeable future. As a firm believer in the need to ensure that the benefits of prosperity are widely shared, Canada continues to advocate poverty reduction as a key component of international co-operation activities in the region, and to share our expertise in socially oriented governance, thus contributing to building a hemisphere that shares some of our most fundamental values. In doing so, we will also help in the preservation of democracy.

Democracy and Sustainable Development

One of the first initiatives that Canada advanced on joining the OAS was a proposal to create a Unit for the Promotion of Democracy [UPD], a unique mechanism for the enhancement of democratic culture and practices across the hemisphere. The universal acceptance that the UPD enjoys today among all OAS member states, proves that democracy in the hemisphere is now considered as more than an exclusively domestic issue. This point was reinforced by the OAS in 1991, when member states passed resolution 1080, which recognized that the interruption of the democratic order in a country was a matter of regional concern that could lead to international action. Canada has also

encouraged the development of a democratic culture and a pluralist civil society in its bilateral relations. Our Canadian International Development Agency [CIDA] funds a wide range of projects, such as peace and reconciliation initiatives, legal aid, human rights education, the strengthening of parliamentary institutions, and the establishment of legal and institutional frameworks for human rights (encompassing the rights of women, children and Indigenous peoples).

Canada's support for democracy has been particularly evident in the cases of Guatemala and Haiti, as well as Cuba. In Guatemala, we are assisting civil society to take an active role in shaping the future of their country. Since 1995, civilian police officers from municipal forces in Laval, Quebec, and Hamilton, Ontario, have served with distinction as human rights monitors in MINUGUA, the United Nations Mission in Guatemala. Earlier this year 15 Canadian military officers from all parts of the country took part in MINUGUA's task of supervising the demobilization of the Guatemalan guerillas. Last April, Canada was the first country to provide financial support to the start-up of Guatemala's "Truth Commission." In Haiti, Canada has been actively involved in training the new police force as well as providing support for strengthening the judiciary. Canada also believes that engagement will produce more progress in Cuba than will isolation and formal conditionality.

Canada has also been a leader in advancing the concept of sustainable development and of integrating economic, social and environmental objectives. This Canadian approach was reflected in the Bolivia Summit on Sustainable Development, where governments agreed on 65 initiatives in five areas: health and education; sustainable agriculture and forests; sustainable cities and communities; water resources and coastal areas; and energy and minerals.

Human Security

As my colleague the Honourable Lloyd Axworthy, our Minister of Foreign Affairs noted in his recent speech to the United Nations General Assembly, the concept of human security means tackling other severe menaces besides the scourge of war. Threats such as poverty, human rights violations, crime and terrorism, and depletion or pollution of natural resources are far too common virtually everywhere. Canada has much intellectual and practical leadership to offer in addressing, in innovative ways, issues that cut across traditional boundaries. Examples include the landmines ban campaign, identifying and addressing the root causes of conflict, and improving our ability to respond to crises when we cannot prevent them.

One of the most distressing developments in the region in recent years has been the explosion of criminal violence, particularly

among urban populations. This has a deeply destabilizing effect on democratic governments and leads to increased violations of human rights by police forces. Reducing the level of violence, and the impact of organized crime, both of which affect the quality of life of many peoples and threatens democracy in our hemisphere and elsewhere, will be another key challenge. Canada has much to offer in this field in areas such as municipal government and policing. The negotiation of a convention to control the illicit international traffic in firearms, now being undertaken under OAS auspices, is an interesting illustration of regional action in the field of human security. Once again, Canada took the lead in trying to ensure that the resulting instrument be effective as well as enforceable.

The new era of hemispheric co-operation exemplified by the revitalization of intergovernmental institutions such as the OAS, and the flourishing of the Summit of the Americas process, which is taking place in this decade, provides Canadians with an unprecedented opportunity to assist in addressing these three main challenges, not only bilaterally, but increasingly, multilaterally.

Canada, a Country of the Americas

Canada is a country of the Americas. This is a fact created by geography and now confirmed by history. Our place in this hemisphere will not be that different from that which we occupy elsewhere in the world: a prosperous, democratic society; an example of how diversity and tolerance can be the source of unity, rather than division; a respected and influential nation, which leads by example rather than coercion. But there is a big difference: because of our rich linguistic and cultural heritage, our economic importance, and our geographic proximity, here we have a much greater possibility to build a common value system based on a shared vision in our hemisphere. In doing so, we will also be contributing to the betterment of our own society.

Thank you.

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Statement

97/44

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NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI,
MINISTER FOR INTERNATIONAL TRADE,
TO THE
HONGKONG BANK OF CANADA FORUM ON EAST ASIA

TORONTO, Ontario
October 24, 1997

This document is also available on the Department's Internet site:
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It is a real pleasure to be here today and I want to thank the Hongkong Bank for sponsoring this wonderful luncheon. I am also delighted that the members of the Pacific Basin Economic Council and the Prime Minister's Council on Asia Pacific have joined us.

This has been an exciting year for all of us connected with Asia Pacific. During Canada's Year of Asia Pacific, more than 600 events across Canada have celebrated our Pacific heritage and explored new opportunities for trade and investment.

We have raised the profile of this region in our national consciousness. And now that we have placed it front and centre, we must keep it there.

Today, I would like to share some thoughts with you on "the state of play" in APEC [Asia Pacific Co-operation forum] and what our priorities are as we look to the Ministerial and Leaders' meetings in Vancouver next month and beyond.

This year, Canada has had three very specific objectives:

- First, we wanted to advance freer trade and investment;
- Second, we wanted to focus on key elements of economic development such as infrastructure and sustainable growth;
- And third, we wanted to strengthen APEC by involving a broader range of people, including the business community, young people, academics, women and environmental and other organizations.

Let me just touch briefly on each of these priorities.

First, advancing freer trade.

APEC has been working on many fronts to liberalize trade – not only because it benefits our economies, but also because together we can act as a regional caucus to strengthen the multilateral trading system.

One of the most exciting developments, and one that has attracted a lot of interest around the world, involves opening up trade in specific sectors. The past year has seen significant progress on this front.

As you may know, APEC members had agreed to identify a list of sectors for liberalization by 1999. Earlier this year in Montreal, we were able to obtain agreement to accelerate that timetable by two years, so that a list of sectors will now be ready for consideration in Vancouver next month. In fact, my officials are in Singapore working on this right now.

A number of the sectors are of particular importance to Canada, including environmental products and services, fish and fish products, fertilizers and forest and oilseeds products.

In considering various sectors, we want the liberalization to be as comprehensive as possible. In addition, we must also move on the trade facilitation front.

It does us little good to open up a sector if we leave an obstacle course of red tape and regulations standing between you and your customers. Access is important, but we must also concern ourselves with the everyday, practical problems you encounter on the ground.

As business people, you know the frustrations -- and the costs -- of adapting your products to different standards, of finding accurate information on rules and procedures and of getting access to capital and insurance for smaller transactions.

These are particular challenges for smaller firms, the very same firms that we wish to encourage to enter the trade world in greater numbers. So we need to make standards more comparable and customs more streamlined. In fact, this year we've put together a blueprint to simplify customs procedures by the year 2000.

Right now, for example, technology exists that can link customs authorities and reduce clearance times from weeks to minutes. This saves not only time, but also money. I am very proud of our progress in this area and optimistic about what it will mean for business in the future.

As you go about your business in the Pacific Rim, our objective is to give you the green light, not red tape. We want to facilitate, not frustrate your efforts.

Second, we wanted to focus in on key components of economic development: infrastructure, skilled workers and sustainable growth.

This is vital because modern-day commerce requires modern telecommunications and transportation facilities. We cannot continue to build an ever-increasing trade relationship on a foundation that cannot support it.

You need to be confident, when you pick up the phone to place an order or go to send a fax, that the phones will work. You need to be confident that the road, rail and air transportation systems will get you or your products to destinations on time. If you are going to construct a new plant or office building, you want to know that there are adequate power facilities, sewage systems and water supplies.

But as you know, this basic infrastructure is not cheap and governments alone often do not have the resources to finance it. That's the bad news. The good news is that there is no shortage

of private capital, provided there are ways to minimize risk for investors.

What we have done is to propose a framework on private investment in infrastructure that will be presented to the APEC meeting in November. Among other things, that framework would provide for better sharing of information and a commitment on the part of export credit agencies to co-operate on investment and insurance for these kinds of projects

We also know that along with confidence in the infrastructure, businesses must also be confident that they will have workers with the skills to do the job.

That is why we have been developing pilot projects to recognize professional skills such as engineering, accounting and surveying. That is why we have been examining ways to increase the participation of women in the fields of science and technology. And that is why we're exploring ways to use information technologies to facilitate distance learning and enhance electronic access to information.

Infrastructure and skilled workers – these are two of the building blocks of economic development. But accompanying both of these must be respect for our environment and a commitment to sustainable development.

In APEC, we face particular challenges in this regard.

By 2015, APEC economies will have 13 mega-cities – each with more than eight million people. Each of these mega-cities alone is larger than the populations of Nova Scotia, Newfoundland, New Brunswick, Manitoba and British Columbia combined.

Urban dwellers are already dealing with deteriorating air quality, as well as land and water pollution. The health costs associated with air pollution are staggering. According to the World Bank, poor air quality costs Bangkok and Jakarta about \$1 billion each per year. For Mexico City, the price is even higher: close to \$1.5 billion every year.

These are not costs we can afford to ignore. In response, APEC ministers have identified a number of specific measures to encourage investments in environmentally friendly infrastructure, increase the use of technology for sustainable development and increase co-operation between public and private sectors to develop solutions to achieve sustainable growth.

These efforts will lead not only to the creation of modern infrastructures, but also to sustainable cities throughout APEC.

Our third and final priority this year was to make APEC stronger through the involvement of a greater cross-section of our people.

Beyond the engagement of the private sector – which has been a traditional strength of APEC – Canada has focussed on increasing the participation of its smaller companies, women, young people, municipal leaders, labour and the environmental community.

This year, more than any other, our APEC activities have reached out in an attempt to better embrace our civil society.

This strong and diverse involvement enhances our understanding of one another and broadens the support for future co-operative action. It also ensures that the courses of action we take are informed by the interests and priorities of the people we represent.

All these efforts combined help us build stronger human linkages, which, as the theme of your forum underscores today, are key to expanding our trade and cultural ties. The efforts of Canada's more than two million Asian Canadians are part of the reason why Canada's ties with Asia Pacific have gained the importance and momentum they have.

Over the past year, we have brought APEC to Canada. Many who came as visitors left as friends. And those who may have come as sceptics left as converts.

What they saw was an exciting, outward-looking, trade-friendly environment. They saw a country strategically placed to provide access to the vast North American market, as well as to the Pacific Rim. They saw a country that a recent study by KPMG ranks as the best, lowest-cost location for starting up and operating a new business.

That KPMG study compared a wide range of costs among five leading European countries, Canada and the United States. And Canada emerged as the clear overall winner.

We demonstrated our commitment to strong economic fundamentals – low inflation, low interest rates, a disappearing deficit – and combined this with the lowest-cost business environment.

Now, we must maintain the momentum created by our Year of Asia Pacific. The meeting in Vancouver may mark the end of our special year, but it is only part of our ongoing efforts in Asia. More importantly, we need to keep up with our competition and firm up our market share.

In order to continue that momentum, and to clearly demonstrate our commitment to Asia Pacific as a vital market for Canada, I am releasing today our Asia Investment Strategy. Copies are

available and I would encourage you to pick one up and review the steps we are taking to sharpen our approach and target our resources.

The Strategy keys in on eight markets – Hong Kong, Japan, Korea, Malaysia, Singapore, Taiwan, Australia and New Zealand. These will be our priority markets as we demonstrate the advantages of investing in Canada. For our part, we will be stepping up calls on potential investors, both at home and abroad, and dedicating more resources to the task.

To realize the potential of that investment, we will need the support of all of you, as institutions and individuals, acting as ambassadors for Canada. One of the key tools at your disposal is the KPMG study. It shows that Canada has the lowest business costs overall and the lowest cost in each of the eight industries surveyed.

Armed with evidence such as that provided by the KPMG study, I am confident that we will successfully attract the kind of job-creating investment and stimulate the trade promotion that this country needs.

A strong commitment to opening sectors and making it easier to do business, a focus on the building blocks of economic development, and expanding the range of people involved – these have been our priorities and these remain our focus as we look to Vancouver and beyond.

There is a Japanese proverb that says "a single arrow is easily broken, but not 10 in a bundle."

We can draw an important lesson from this proverb. For there is strength in co-operative action. There is strength in looking beyond our own borders for new opportunities. And there is strength in a shared sense of purpose.

So, let us make APEC into that special bundle. Let us transform the spirit of APEC into a sense of community.

Thank you.

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Statement

97/45

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NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY,
MINISTER OF FOREIGN AFFAIRS,
TO THE UNITED KINGDOM WORKING GROUP ON LANDMINES
"THE RIGHT STUFF:
AN INTERNATIONAL TREATY TO BAN
ANTI-PERSONNEL MINES"

EDINBURGH, Scotland
October 25, 1997

This document is also available on the Department's Internet site:
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It is a real pleasure to be able to meet with the community of people that have, indeed, turned words into action in getting a global ban on anti-personnel mines.

I know that here I am truly among friends — those who are committed not just to the ban and getting the treaty signed in December, but to the longer haul: the total elimination of anti-personnel mines.

The Commonwealth setting is an appropriate one. The excellent backgrounder produced by Human Rights Watch for the CHOGM [Commonwealth Heads of Government Meeting] reminds us that the Commonwealth is a mine-affected community. At least 14 Commonwealth countries — ranging from Mozambique, Namibia and Zimbabwe to Cyprus, India and Malaysia — live with the scourge of anti-personnel mines.

Maybe this is why 34 countries of the Commonwealth support the ban — among them, key partners in the ban campaign, such as our Caribbean friends and New Zealand, South Africa, the United Kingdom and Zimbabwe. However, there are still some who are deciding, or who are not supportive.

In discussions earlier this week between my prime minister and Prime Minister Howard, we were encouraged by the direction in which Australian thinking seems to be going. We believe Australia should be there in December to sign the ban treaty. We would like to see all the countries of the South Pacific join us in Ottawa. We also believe that countries such as Bangladesh, Cyprus, India, Pakistan, Singapore and Sri Lanka should be part of this global movement to ban anti-personnel mines. We will be raising this issue with every one of these delegations. I hope that we can look to you to help us in this effort.

Also in this past week, Canada's prime minister held extensive discussions with President Yeltsin in Russia. The result was a joint statement that is worth reading: it says that Russia will join the ban convention negotiated in Oslo as soon as possible. It says that in the interim, Russia will work with the global community to realize the objectives of the convention. Most importantly, in writing, President Yeltsin has stated that Russia will extend its existing moratorium on the export of anti-personnel mines until Russia signs the convention.

Add to this:

- the announcement made by Greece that it will sign the treaty in Ottawa;
- indications of further positive movement in the Japanese position;
- even Bulgaria, a country that does not yet support the ban, has begun to clear anti-personnel mines on its southern border, saying that it is acting in the spirit of the convention negotiated in Oslo.

The fact is that the global momentum continues to build.

Last October, when we issued a challenge to the global community to make a global ban on anti-personnel mines a reality by the end of 1997, there were cheers and jeers in the crowd. Those who cheered knew that the moment was right for a ban on anti-personnel mines. Those who cheered believed that a ban could be achieved within less than a year. Those who jeered were frightened that those who cheered just might be right.

The Ottawa Process has demonstrated what can happen when global political will is married to passion and vision. It has shown that players other than the heavyweights can make a difference, when they have clear, shared goals, a real stake in the outcome and, above all, commitment. It has shown that civil society can not only have a direct impact on policy — but that it can also set policy.

Small and medium powers can band together and, with the courage of their convictions and strength of their partnership, establish and lead a global campaign — without the major powers in the driver's seat.

It was not magic that accounted for the impact and success of the Ottawa Process — although some have suggested sorcery must have been at work to have delivered two such ban-friendly results in the British and French general elections. What made the process work was a remarkable combination of new-world realities:

- First, the end of ideological allegiances and blocs that freed countries to act in their own best interests — including the interests of their people — and to join with non-traditional partners to pursue those interests.

The result? A state such as South Africa took a courageous national decision and then offered its leadership to the region and the world to promote a ban.

- Second, the opening up of the once exclusive world of international relations, so that NGOs [non-governmental organizations] and other non-state actors could play a significant and even catalytic role.

The result? A grass-roots NGO grew from a handful of well-meaning activists, led by one determined woman, into a thousand-strong coalition that has succeeded in setting the global agenda — and getting governments to follow it. The magnitude of the achievement was recognized by the Nobel Committee when, two weeks ago, they awarded the Nobel Peace Prize to Jodi Williams and the International Campaign to Ban Landmines [ICBL].

- And third, the electronic revolution that allowed the Ottawa Process community to use the Internet to connect in the most direct and constant way possible.

The result?

- Daily, even hourly, exchanges of information around the globe.
- Exchanges that leap-frogged over traditional diplomatic and political practices.
- Immediate deployment of arguments and resources in support of the ban.
- A cell-phone campaign in Italy that drove politicians crazy and changed policy.

The "great" powers, ignoring the strength of these trends, denied the possibility that someone else might just be able to mobilize the world. The result? A constant scrambling by those who thought they set the agenda to catch up with those who were really setting it. Some have still not quite made it.

The question that most continue to ask is whether the Ottawa Process can actually deliver the goods on the ban. Let's take a look at what has been achieved.

Last month, the Norwegian government generously hosted the world for a three-week negotiation that concluded with the adoption of the text of a new Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction.

This negotiation succeeded because the community of nations, NGOs and international organizations that gathered in Oslo had arrived with a common goal in mind: to complete a treaty by September 19.

The negotiation succeeded because NGOs, governments and international organizations had been working for the past year to develop the treaty — providing both the substance and the political will necessary to make it a reality — through meetings in venues ranging from Maputo and Manila to Ashkabad, Brussels and Bonn.

The negotiation succeeded because the Austrian government had been refining a draft treaty for several months, and this document served as the working text for the Oslo meeting.

The negotiation succeeded because of the skill, determination, conviction and vision of the South African chair, Ambassador Jakkie Selebi.

And what of this treaty negotiated in Oslo? The treaty is the first in history to ban a weapon that has been widely used by

military forces throughout the world. It bans the production, stockpiling, use and trade of all anti-personnel mines.

Any country that joins this treaty is out of the anti-personnel mine business, forever. There are no exceptions, reservations or loopholes in this treaty. It means what it says.

It obliges states to destroy all their stockpiles of anti-personnel mines within four years following entry into force of the treaty. It calls upon states to clear all existing minefields within 10 years, with provision for an extension if circumstances really warrant.

It provides a framework for international co-operation in mine clearance and victim assistance. It recognizes that assistance for victims must go far beyond simple medical help and focus on the long-term challenge of ensuring the full social and economic reintegration of these innocent victims into their societies.

This treaty is not based on blind trust. It has provisions for transparency measures and obligatory reporting requirements on anti-personnel mines, until stockpiles are destroyed and minefields removed. It has an innovative compliance mechanism that includes provision for fact finding.

A state party cannot walk away from this treaty if it finds itself in an armed conflict; the treaty applies in time of peace and war.

It is an impressive, readable document that reflects the clarity of thought and purpose of the drafters. In the space of 18 pages and 22 articles, the treaty establishes a clear, new international norm banning anti-personnel mines.

Even with all of this, the treaty and the process are not without their critics. The Ottawa Process community has been accused of being a club of angels. Canadians are used to being called do-gooders — the boy scouts of the world community. But we have also, in the course of this campaign, been called other, rather different things: inflexible, radical, unethical and even "Stalinistic." Not our usual image — but perhaps a sign that we have touched a nerve.

We have been criticized for leading a crusade. We have been accused of developing a "feel good" treaty that is not based on sound military thinking. Maybe here the critics are partly right. The treaty does feel good. It feels good because we have established a new global norm.

We have set in train a movement that has converted dozens of major landmine users and producers to the ban: users such as Angola, Cambodia and Mozambique; producers such as Brazil, Italy,

South Africa and the United Kingdom. We have begun to dry up the trade in and market for anti-personnel mines.

But regarding sound military thinking? We have, in fact, followed the guidance of many military experts — including retired U.S. General Schwartzkopf, the former commander of the allied coalition in the Gulf War — who have concluded that the humanitarian cost of anti-personnel mines vastly outweighs any military utility and that a ban is militarily responsible.

We have been guided by the International Committee of the Red Cross's (ICRC) important March 1996 study. This study, authored by retired British Brigadier General Blagden and endorsed by dozens of retired and active senior military commanders from around the world, examined the military case for anti-personnel mines in light of their actual use in 26 conflicts since 1940. The study found that, regardless of the claims that "responsible nations will use these weapons responsibly," anti-personnel mines have rarely been used correctly.

Here, Canada is among those who are to blame. The ICRC report cites an incident in the Korean War when an Australian contingent, in the common chaos of battle, accidentally deployed into a Canadian-laid minefield. The result: almost 50 Australian casualties.

The recent Human Rights Watch report *In Its Own Words* — based on Pentagon archives — and the Demilitarization for Democracy report *Exploding the Landmines Myth in Korea* argue convincingly about the marginal and often counter-productive effect of anti-personnel mines. In particular, they cite the fact that one of the biggest causes of U.S. casualties in Vietnam was U.S. landmines.

The critics say that only the good guys, and the unimportant "nobodies," will sign this treaty, so it will be meaningless. A pie-in-the-sky, nirvana treaty. The fact is that we expect dozens of countries from every region of the world to sign the treaty in December.

The company in Ottawa will include Brazil, France, Germany, Italy, South Africa and the United Kingdom — in the not-so-distant past, the major producers and suppliers. It will include Angola, Bosnia, Cambodia, Mozambique, Nicaragua and other severely mine-affected countries — in the not-so-distant past, the major users.

We are curtailing the supply. We are drying up the demand. Step by step, we are killing this insidious market. To paraphrase Winston Churchill: some "nobodies" — some nirvana.

Of course, the whole world will not sign the new convention in Ottawa. Even we don't expect miracles. But the fact is that most international treaties do not start out with universal adherence. Universality is something that is achieved over time.

The Nuclear Non-Proliferation Treaty (NPT) — a touchstone of international arms control and disarmament law — started with less than 30 signatories. China and France did not sign this treaty until more than 20 years after it was negotiated. No one suggested that the NPT was worthless because two of the five states that the treaty was directed toward had chosen not to sign.

Similarly, the Comprehensive Test Ban Treaty (CTBT) opened for signature just last year and will likely not have key states within it for a long time. No one has suggested that the CTBT is not worth having because India and Pakistan have not signed at this time.

The fact is that these treaties establish an international norm. Within or without, countries are constrained by the political and moral pressure exerted by the mere existence of these treaties. That is what norm building is all about. That is the civilizing effect of international law on the behaviour of states — sometimes even rogue states. Whether they sign up or not, they will be judged based on the new standard. They will have to take a calculated risk if they decide to violate it.

Of course, the ideal would be to have China, India, Pakistan, Russia, the United States and others within the treaty from the beginning. We must continue to work on them.

The United States plans to destroy three million of its "dumb mines" by 1999. President Clinton recently announced that, except in the Korean Peninsula and in mixed anti-personnel/anti-tank mine systems, the United States will stop using anti-personnel mines by 2003. Indeed, President Clinton has told his generals to find alternatives for Korea by the year 2006.

China has also announced restrictions on exports. It says it has not exported any anti-personnel mines since 1994.

This shows that no one is immune to the global stigmatization of anti-personnel mines that has propelled the Ottawa Process and ban campaign this far. Even non-state actors — particularly those with domestic or international political ambitions — will feel the pressure of the new standard.

NGOs hold the key to engaging non-state actors in the process. In Afghanistan, for example, the ban campaign has lobbied all the factions in the conflict and convinced them to publicly renounce the use of anti-personnel mines.

In a highly wired, in-your-face-news world, there is little that goes unnoticed. The fact is that the world will judge — harshly — those who violate the new norm that will be established by the anti-personnel mine ban convention.

But the fact is also that the treaty signing on December 3 to 4 in Ottawa is only the first step in dealing with the global anti-personnel mine crisis. The hardest work begins in December.

Ottawa II, the follow-up to the ban campaign, must start immediately. This will be the real challenge — sustaining global attention and resources for the long haul.

To make this treaty work — to make mine-affected states livable again, to give mine victims dignity and hope for normal, productive lives — we need a long-term commitment to co-operation. We need to get that commitment now. We can begin here by pledging to keep building on the remarkable relationship that we have forged among governments and civil society.

In Ottawa in December we will begin to test the strength of our coalition. From December 2 to 4, we will host NGOs, experts and officials in a series of round-table discussions designed to establish a common plan of action to guide our work in the coming months and years. We are asking delegates to come to Ottawa not simply to celebrate the signing of the convention, but to get down to real work — immediately — to ensure the effective implementation of the treaty and the rehabilitation of mine-affected lands and societies.

This will require a degree of co-ordination unusual for governments and NGOs that normally jealously guard their independence of action and sovereignty. It will require a subsuming of these narrow interests in the pursuit of a greater, common goal. It will require the forging of a common, collective conscience and commitment, and the application of serious resources — financial and human — to achieving our goal. And it will require the application of sustained political and public will and attention.

We will need to appeal to something new in people, in organizations, in governments. The same "something new" that the Nobel Committee recognized when it awarded the Nobel Peace Prize to the ICBL and Jodi Williams. The "something new" that produced the Ottawa Process and the ban treaty. The "something new" that is demanded of us, here on the cusp of the 21st century.

We all have to carry this spirit of conviction and determination home with us. We need to continue to catalyze and drive the process. We have to get this treaty up and running — quickly. We have to universalize this new international humanitarian norm

against anti-personnel mines. We must clear the mines. We must help the victims.

What you, the NGO community, have done has been extraordinary. You challenged governments to work with you on a common goal to promote the highest principles of humanity. You succeeded. Let's keep working together. We need your energy. We need your commitment. You have ours. It is a great combination.

I look forward to seeing you in Ottawa.

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Statement

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NOTES FOR AN ADDRESS BY
THE HONOURABLE DAVID KILGOUR
SECRETARY OF STATE (LATIN AMERICA AND AFRICA)
TO STUDENTS AT THE
UNIVERSITY OF BRITISH COLUMBIA

VANCOUVER, British Columbia
November 1, 1997



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It is a pleasure to address a group of students and know that I don't need to convince you of the need to look beyond Canada's borders. You already realize that we live in a shrinking world. It is becoming harder to differentiate between "domestic" and "international" issues. More and more, the boundaries are blurred.

Mexican writer Carlos Fuentes has said: "Every North American, before this century is over, will find that he or she has a personal frontier with Latin America. This is a living frontier, which can be nourished by information but, above all, by knowledge, by understanding, by the pursuit of enlightened interest on both parts."

Fuentes meant "North American" in the sense that most Latin Americans use the term – to refer to citizens of the United States. But today it is equally true that no Canadian is unaffected by our relationship with Latin America.

As Secretary of State for Latin America and Africa, I am excited that my portfolio deals with some of the most dynamic areas in Canada's foreign relations. In 1995, the Canadian government in its foreign policy statement identified Latin America as one region where Canada's geographic location gives it an important advantage.

For many years, when Canadians looked southward, we tended not to see beyond the United States. Our entry into the Organization of American States [OAS], in 1990, was a clear political signal of our desire to play a more active role in hemispheric issues. We hoped that our involvement in the OAS would lead to a revitalization of regional intergovernmental institutions.

In the early 1990s, Canada negotiated the North American Free Trade Agreement – NAFTA – with the United States and Mexico. This was the first regional trade agreement in the world involving developing and developed countries. During the same period, we extended our resident diplomatic representation to practically all countries of the region.

In 1994, Prime Minister Chrétien participated in the Miami Summit of the Americas, where democratically elected leaders from 34 countries agreed on a partnership for development and prosperity. This partnership would be based on a commitment to democratic practices, economic integration and social justice.

In March next year, that process will continue with the Summit of the Americas in Santiago, Chile. These talks aim to lay the groundwork for a future Free Trade Area of the Americas by 2005. They will also address other important social development issues, including education.

Meanwhile, Canada has been pursuing closer trading relations throughout the region. This year, Canada and Chile concluded a

bilateral free trade agreement. This was an expression of Canada's desire to continue with a trading agenda at a time when some in the U.S. Congress are reluctant to give fast-track approval for negotiations to include Chile in the NAFTA.

Canada is also talking trade with other regional groupings, such as MERCOSUR, the Andean Pact, CARICOM and the Central American Common Market. We look forward to trade partnerships with members of these groups as we move toward hemispheric free trade.

Let me draw your attention to Canada's efforts to develop enhanced trading relations with MERCOSUR. This regional trade pact includes Argentina, Brazil, Uruguay and Paraguay. Canada exported nearly \$1.7 billion to these four countries in 1996, and absorbed imports of \$1.4 billion. The Canadian government is trying to lay the groundwork that will allow more and smoother trading between MERCOSUR and Canada.

Last month Prime Minister Chrétien announced that in January next year a Team Canada trade mission will visit Mexico, Argentina, Brazil and Chile. The mission will be patterned on our previous successful Team Canada missions to Asia, which brought together our provincial leaders with our federal leaders in promoting economic growth for all of us.

I should note that although my formal title is Secretary of State (Latin America and Africa), I am also responsible for the Caribbean, including the Commonwealth Caribbean.

Although the Caribbean is geographically close to Latin America, our trading relationships with the two regions have been quite different. Canada has enjoyed a long historic relationship with the Commonwealth Caribbean. We share a common language and common political and legal traditions, based on our ties with Britain. The Bank of Nova Scotia had a branch in the Caribbean before it was in Toronto — if you can believe it! We don't need to talk about the rum trade that has been going on between Canada and the Caribbean for years. We have sometimes been inclined to take the Caribbean for granted. This is a serious mistake. The countries of the Commonwealth Caribbean are among our closest friends on the international stage. In our recent bid for Calgary 2005, 11 of the 25 votes we got were from CARICOM states.

Africa's emergence as a stable, prosperous continent is important to every other continent in the world. The Canadian bond with Africa has continued to build since the days of John Diefenbaker and Mike Pearson. Both leaders saw what Africa means to the world and is capable of contributing. I am an Africa optimist.

The end of apartheid in South Africa and the spread of democracy in other African countries gives the world increasing hope that

Africa's potential will be realized. We Canadians must continue to lend assistance.

Recently I visited Uganda, Rwanda and Kenya and saw for myself that Africa is changing and our stereotypes are obsolete. In Kampala, I learned that fully 2,000 companies have located operations in Uganda in recent years. Similarly, in Rwanda, close observers say that there has been real economic progress for some – certainly not all – since the catastrophe of 1994, and that the government in office is genuinely seeking reconciliation among its constituent communities.

In Kenya, despite large problems, there appears to be a recent national stepping back from the abyss. Our delegation arrived shortly after a multiparty committee of members of parliament had agreed on a comprehensive package of reforms. This now appears to be on its way to enactment in full before the election, which must be held in this calendar year. In short, there is a basis for optimism in all three nations.

I would argue that Canada's foreign policy in the 1990s has, for the most part, been not only intelligent, but also exciting, particularly in recent years.

Let's look at Canada's campaign to ban anti-personnel landmines. It is perhaps the most obvious example of this country taking a lead on an issue that could have been ignored because:

- (a) it wasn't popular in military circles; and
- (b) it does not personally concern many important people around the world.

Important people don't spend a lot of time walking through fields and down paths that are likely to explode under them at any given moment. Millions of poor civilians do.

It is an important issue. It tells ordinary people that they matter. There are an estimated hundred million landmines lurking around the world, waiting to blow children to bits – for no other reason than that these kids took one false step on land that should sustain them.

As you know, Canada has played a significant role in the grass-roots activism that should lead us – must lead us – to a meaningful international accord on the banning of anti-personnel mines.

In early December, more than 90 countries are expected to sign a treaty toward this end in Ottawa, as one more step in what has become known as the Ottawa Process. Canadians should be proud.

The fight to obliterate anti-personnel landmines is just one component of Foreign Affairs Minister Lloyd Axworthy's commitment to the concept of sustainable human security, which he has twice advanced in formal presentations to the United Nations General Assembly. A next important project will be efforts to limit the global trade in small arms.

Canada has found a niche for itself in the area of human rights. Our approach is evolutionary, not coercive. Even if we wanted to force change, we have to face the fact that Canada simply does not have the economic leverage or the international clout to do so. We can, however, work from within to support non-governmental organizations – NGOs – and develop a space in which civil society can grow.

Support for human rights improvements can take different avenues. In countries that are prepared to engage with us on even a limited scale, such as Cuba, we will work for evolutionary change. For regimes that are unwilling to enter into any sort of dialogue or exchange whatsoever, such as Burma or Nigeria, we will work for broader international action to press those regimes to change their ways.

Next year we will celebrate the 50th anniversary of the Universal Declaration of Human Rights. Canada will do its utmost during the year to convince governments everywhere that the suppression of human rights can only lead to the kind of bitterness that creates political uprisings.

We aren't perfect. We have work to do in our own backyard on issues of the environment and human rights – issues that are so important internationally. But while we are working on our own problems, we have to be working on the world's problems as well. Because, when the circle is closed, they are our problems too.

Let me give the final word to Octavio Paz, the Mexican diplomat and poet. In his reflections on contemporary history, *One Earth, Four or Five Worlds*, Paz notes that all great nations have prudence, which he defines as wisdom and integrity, boldness and moderation, discernment and persistence in undertakings. The aim of our country, both domestically and internationally, should be this notion of prudence.

Thank you.

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Statement

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NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY,
MINISTER OF FOREIGN AFFAIRS,
TO THE STANDING COMMITTEE ON
FOREIGN AFFAIRS AND INTERNATIONAL TRADE

"AN INTERNATIONAL TREATY TO BAN
ANTI-PERSONNEL MINES: THE CHALLENGE CONTINUES"

OTTAWA, Ontario
November 3, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Mr. Chairman, Committee Members:

It is an honour to be able to appear before you with Jody Williams, who has just been awarded the Nobel Peace Prize for her extraordinary work in mobilizing global opinion and governments to ban anti-personnel mines. Jody personifies a new approach to foreign policy — one that is, at its roots, democratic. One that is built on the partnership of civil society and government working together to achieve common goals.

Jody Williams, and the International Campaign to Ban Landmines [ICBL] with 1000 organizations in more than 50 countries, represents the community of people who have turned words into action in getting a global ban on anti-personnel mines.

The campaign to ban anti-personnel mines has generated tremendous momentum. We have countries from all regions of the world who have committed to signing the convention next month. Just two weeks ago at the Commonwealth meeting, we secured the support of another six countries. Even those that believe they cannot sign the treaty in December are being captured by this momentum and are moving, on a unilateral basis, to accept the new standards that will be set in the convention.

During his recent trip to Russia, Prime Minister Chrétien held extensive discussions with President Yeltsin. The result was a joint statement that Russia will join the ban convention as soon as possible. In the interim, Russia will work with the global community to realize the objectives of the convention. Most importantly, President Yeltsin has stated, in writing, that Russia will extend its existing moratorium on the export of anti-personnel mines until Russia signs the convention. This is major progress in Russia's position, and shows their willingness to act in the spirit of the new convention even if they cannot yet sign.

Add to this:

- the announcement made by Greece that it will sign the treaty in Ottawa; and
- clear indications of further positive movement in the Japanese and Australian positions.

The critical global mass to ban anti-personnel mines is there. I believe there is real sustainable political will behind it. And the fact is, the global momentum continues to build.

The Ottawa Process has demonstrated what can happen when global political will is married to passion and vision. It has shown that civil society can not only have a direct impact on policy — but that it can also set policy. A movement of small and medium powers can, with the courage of their convictions and strength of their partnership, establish and lead a global campaign — without the major powers in the driver's seat.

This new approach to international diplomacy has not been without its critics. We in Canada have been criticized for leading a crusade. We have been accused of developing a "feel-good" treaty that is not based on sound military thinking. Maybe here the critics are partly right. The treaty does feel good. It feels good because we have established a new global norm.

Regarding sound military thinking? We have, in fact, followed the guidance of many military experts — including retired U.S. General Schwartzkopf — who have concluded that the humanitarian cost of anti-personnel mines vastly outweighs any military utility, and that a ban is militarily responsible.

We have been guided by the International Committee of the Red Cross's [ICRC] important March 1996 study. This study, endorsed by dozens of retired and active senior military commanders from around the world, examined the military case for anti-personnel mines in light of their actual use in 26 conflicts since 1940. The study found that, regardless of the claims that "responsible nations will use these weapons responsibly," anti-personnel mines have rarely been used correctly.

The recent Human Rights Watch report *In Its Own Words* — based on Pentagon archives — and the Demilitarization for Democracy report *Exploding the Landmines Myth in Korea* argue convincingly about the marginal and often counter-productive effect of anti-personnel mines. In particular, they cite the fact that one of the biggest causes of U.S. casualties in Vietnam was U.S. landmines.

The critics of the Ottawa Process also say that only the good guys, and the unimportant "nobodies," will sign this treaty, so it will be meaningless. The fact is that we expect dozens of countries from every region of the world to sign the treaty in December.

We have set in train a movement that has converted most of the major landmine users and producers to the ban: major users such as Angola, Cambodia, Mozambique, the countries of Central America, Bosnia and Croatia; major producers such as Brazil, France, Germany, Italy, South Africa and the United Kingdom.

Most of Africa is committed to the ban; the Americas — with the exception of Cuba — supports a ban; many Asian countries are moving to join the ban. At the United Nations, we already have 115 co-sponsors on a resolution supporting the new convention and inviting people to come and sign it in December.

Of course, the whole world will not sign the new convention in Ottawa. But the fact is that most international treaties do not start out with universal adherence. Universality is something that is achieved over time.

China and France did not sign the Nuclear Non-Proliferation Treaty [NPT] until more than 20 years after it was negotiated. No one suggested that the NPT was worthless because two of the five states that the treaty was directed toward had chosen not to sign.

Similarly, the Comprehensive Test Ban Treaty [CTBT] opened for signature just last year and will likely not have key states within it for a long time. No one has suggested that the CTBT is not worth having because India and Pakistan have not signed at this time.

The fact is that these treaties establish an international norm. Within or without, countries are constrained by the political and moral pressure exerted by the mere existence of these treaties. That is what norm building is all about. That is the civilizing effect of international law on the behaviour of states. Whether they sign up or not, they will be judged based on the new standard. They will have to take a calculated risk if they decide to violate it.

Of course, the ideal would be to have China, India, Pakistan, Russia, the United States and others within the treaty from the beginning. We must continue to work on them. I have already noted the encouraging signs coming from Russia. The United States and China have also taken positive steps.

U.S. Secretary of State Madeleine Albright wrote to me last week to outline a new initiative on de-mining by President Clinton. As part of an intensive campaign to rid the world of existing landmines by 2010, the U.S. is:

- appointing a special representative on Global Humanitarian De-mining and a distinguished panel, to work toward increasing the resources devoted to de-mining worldwide to about \$1 billion a year;
- increasing its own financial commitment to global de-mining in 1998 to \$77 million; and
- hosting a conference to develop specific strategies to achieve the 2010 goal.

All this is in addition to U.S. plans to destroy three million "dumb mines" by 1999, and a commitment to stop using anti-personnel mines by 2003, with the exception of the Korean Peninsula and in mixed anti-personnel/anti-tank mine systems.

China has also announced restrictions on exports. It says it has not exported any anti-personnel mines since 1994.

This shows that no one is immune to the global stigmatization of anti-personnel mines, which has propelled the Ottawa Process and

ban campaign this far. Even non-state actors — particularly those with domestic or international political ambitions — will feel the pressure of the new standard. Here, NGOs [non-governmental organizations] have a key role. In Afghanistan, for example, the ban campaign has lobbied all factions in the conflict and convinced them to publicly renounce the use of anti-personnel mines.

In a highly wired, in-your-face news world, there is little that goes unnoticed. The fact is that the world will judge — harshly — those who violate the new norm that will be established by the anti-personnel mine ban convention.

The question that many continue to ask is whether the Ottawa Process can actually deliver the goods on the ban. What has been achieved to date?

In September, the Norwegian government hosted the world for a three-week negotiation that concluded with the adoption of the text of a new Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction.

The treaty is the first in history to ban a weapon that has been widely used by military forces throughout the world. It bans the production, stockpiling, use and trade of all anti-personnel mines. A state party cannot walk away from this treaty if it finds itself in an armed conflict; the treaty applies in times of peace and war. Any country that joins this treaty is out of the anti-personnel mine business, forever. There are no exceptions, reservations or loopholes in this treaty. It means what it says.

It obliges states to destroy all their stockpiles of anti-personnel mines within four years following entry into force of the treaty. It calls upon states to clear all existing minefields within 10 years, with provision for an extension if circumstances really warrant.

This treaty is not based on blind trust. It has provisions for transparency measures and obligatory reporting requirements on anti-personnel mines, until stockpiles are destroyed and minefields removed. It has an innovative compliance mechanism that includes provision for fact finding.

It provides a framework for international co-operation in mine clearance and victim assistance. It recognizes that assistance for victims must go far beyond simple medical help and focus on the long-term challenge of ensuring the full social and economic reintegration of these innocent victims into their societies.

But the treaty will just be a paper document until it formally enters into force. This requires 40 ratifications. I appeal to

all members of this Committee for their support, and the support of their parties, for rapid ratification of the treaty by Canada. Indeed, I would like Canada to be able to both sign and ratify the convention on the very same day, one month from now: December 3. Then I would like to use our leadership position to launch a precedent-setting global campaign on ratification that will get this treaty up and running in months, not years. Partnership with NGOs will be crucial to this campaign, and we intend to work with them to remobilize for ratification.

Important though it is, the treaty signing in December is only the first step. The work really begins in December. We have to start now to generate the political will, public support and resources necessary for the longer haul: the total elimination of anti-personnel mines.

To make this treaty work — to make mine-affected states livable again, to give mine victims dignity and hope for normal, productive lives — we need a long-term commitment to co-operation. We will only be successful if we reinforce the remarkable relationship that we have forged among governments and civil society. We need to help the smaller states meet their obligations under the treaty, whether to destroy their stockpiles, clear mine-fields or care for victims. We need to help to repair the many countries torn apart by these weapons. We need to apply serious resources — financial and human — to achieving our goal.

Canada has been active in supporting international efforts to clear the mines in some of the most affected countries, and to assist landmine victims. You may have an opportunity to see some of the effects of this work when the Committee visits Bosnia later this month. Canada itself has been directly affected by mines in Bosnia, which have seriously injured several Canadian peacekeepers. Last year the UN selected a retired Canadian Lieutenant Colonel to set up its de-mining program in Bosnia. We seconded six Canadian Forces trainers to the Centre for six months this year, and expect to do the same next year. We have also contributed \$0.5 million to the Mine Action Centre's operations, and \$1 million to pay the full cost of the World Bank's mine awareness programs in Bosnia, a very important program to prevent further civilian casualties.

Canada will host a series of round-table discussions in Ottawa, December 2-4, in parallel to the signing ceremony, to pursue similar long-term goals. NGOs, experts and officials will gather to establish a common Agenda for Action to guide our work in the coming months and years. We intend to address all the dimensions of the anti-personnel mine problem: from the political issues of entry-into-force and implementation, to new technologies in mine clearance and techniques for victim rehabilitation. We will examine the link between the anti-personnel mine scourge and

development, and the whole question of peace-building and anti-personnel mines.

The work coming out of the Action Forum will be the real achievement of the Ottawa meeting. We will need your support to ensure that the world can continue to look to Canada for sustained leadership as we enter this next, crucial phase. We need your support for Canada's ratification of the treaty by December 3, so that we can launch the global entry-into-force campaign. We need your support in fulfilling the Agenda for Action. We need your support in helping to repair mine-affected countries and mine-ravaged communities.

In pursuing these goals, we will not be working alone, but with dozens of committed countries and NGOs around the world, including Jody Williams and the millions of others she represents. Together, we have already achieved the extraordinary. Let's do the same again.

Thank you.

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Statement

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NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI
MINISTER FOR INTERNATIONAL TRADE
TO THE STANDING COMMITTEE ON FOREIGN AFFAIRS
AND INTERNATIONAL TRADE

"THE MULTILATERAL AGREEMENT ON INVESTMENT"

OTTAWA, Ontario
November 4, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Colleagues:

The Multilateral Agreement on Investment – the MAI – is about establishing rules to ensure that international investment and trade continue to mean jobs and prosperity for Canada. Canada does much better when transparent and enforceable rules – and not the whim of more powerful nations – govern the way business is done. The MAI negotiations are set to finish in April 1998, but already, some groups are criticizing the potential agreement, using this deal on international investment to attack free trade, globalization, open borders and the participation of foreign-owned companies in our economy. We have to listen to these voices but we must also weigh them against the Canadian reality. We are a nation that relies heavily on trade. Our future well-being – and that of our young people – will be tied to Canada's ability to compete in global markets. And we will only be able to compete if there are clear rules that encourage foreigners to invest in our country and that protect Canadians – both corporate investors and individuals like you and me – when they invest abroad. Through initiatives like the MAI, this government is looking forward, with a vision, to secure our country's economic future.

The MAI debate must focus on the facts and not the myths. This is why I asked your Committee to look at this issue, and why I appreciate the chance to provide you with my views. More importantly, I look forward to the advice the Committee will be able to provide the Government after you hear the views of other Canadians that will come before you.

Let me begin by answering three basic questions on the MAI: what it is, why we need it, and what are Canada's objectives in the negotiations.

What is the MAI?

Canada is one of the 29 countries at the OECD [Organization for Economic Co-operation and Development] that hope that this agreement will establish multilateral rules to promote a secure and predictable framework for global investment. The MAI has two overriding principles: non-discrimination between national and foreign investors, and fair and equitable compensation from governments in the case of expropriation. The current patchwork of international rules does not serve Canada's interests: incredibly, there are over 1300 bilateral investment agreements worldwide.¹ Canada itself has concluded agreements with 24 countries and is negotiating with another 33. Today, the total value of foreign direct investment is estimated at \$3 trillion,² and investment, like trade, is increasingly important to the global economy. Canada, in particular, is reliant on international trade and investment for its economic well-being; it is clearly in our national interest to establish one set of multilateral rules that will promote investment in Canada and protect Canadian investments abroad.

I can also tell you what the MAI is not: it is not a charter of rights for multinational companies, nor does it spell the end of

Canada's sovereignty. We will retain the right to enact laws in all areas – social policy, health care, corporate rules, labour and the environment – and to have these laws apply equally to foreign-owned and domestic companies. We will still be able to impose restrictions on foreign investment in sectors – like culture, health care and education – that we believe require a uniquely Canadian approach. We will also be able to impose new ones when privatizing Crown corporations. As in the NAFTA [North American Free Trade Agreement], Canada will not accept any general commitment to freeze (the so-called "standstill") or phase-out ("rollback") restrictions on foreign investment. Canada will retain the flexibility to carry out public policy in core areas of national interest.

The MAI would also not force Canada to lower its labour or environment standards. In fact, it is intended to keep other countries from lowering theirs to attract investment away from Canada. Nor would the MAI remove regulations requiring foreign companies operating in Canada to hire Canadians first. The Government will continue to be able to link the receipt of investment incentives to conditions like job creation or research and development, and, on the international front, Canada will still be free to impose UN economic sanctions like those used to end apartheid in South Africa.

Finally, the MAI would not make it easier for foreign-owned companies to sue the Government. Under Canadian law, all companies – whether domestic or foreign-owned – can already submit claims to Canadian courts if they believe that they have been unfairly treated by the Government. Through the NAFTA, and our bilateral investment agreements, investor-state arbitration already exists in Canada – a similar transparent system in the MAI would only improve the protection of Canadian investors abroad.

Let me turn briefly to the second question, namely, why we need an MAI. The answer lies in the importance of international trade and investment to Canada.

Why we need an MAI

Trade and investment are the twin engines of Canada's economic future. The Throne Speech clearly identified the Government's commitment to improve Canada's international economic performance by expanding our trade base and making Canada an attractive place for global investment. With one in three Canadian jobs currently tied to trade, any other policy would be irresponsible.

Canada is heavily reliant on foreign direct investment for capital. This foreign investment also plays a critical role in the Canadian economy: it creates jobs, brings in new technologies, and stimulates growth. In 1996, foreign investment in Canada amounted to \$180 billion – a twofold increase in 10 years.³ This is key, because as shown by Industry Canada and my department, \$1 billion of new foreign direct investment in Canada creates an estimated 45 000 new jobs over five years.⁴ However, we cannot rest on our laurels. A recent report

by KPMG showed that Canada is one of the most competitive places in the world in which to invest and do business.⁵ Yet, at the same time, the United Nations notes that our share of global investment has slipped from 8.7 per cent in 1985 to 4.3 per cent in 1995.⁶ Joining the right kind of MAI would reinforce Canada's attractiveness as a first-class destination for foreign investment, both today and in the future.

Canadians are also increasingly active investors overseas. Our investment abroad totalled \$171 billion in 1996, a 164 per cent increase in 10 years.⁷ This investment does many things: it provides better market access for Canadian companies, introduces them to new partners and technologies, allows them to grow, and creates new jobs here at home. An MAI that meets our interests would ensure protection for these investments – both for big and small companies – and for individual Canadians who invest abroad through their mutual funds, pension funds or RRSPs.

Nor should we forget that by participating in these negotiations, Canada is ensuring that we shape the MAI to meet our best interests.

Let us now examine these Canadian objectives.

Canada's Objectives in the Negotiations

Canada's participation in the MAI continues a proud tradition at the forefront of international rule-making. Given the importance of international trade to our economy, establishing rules and promoting freer trade makes sense. Canada was a founding member of the GATT [General Agreement on Tariffs and Trade], and its successor, the World Trade Organization [WTO].

Canada has been well served by the WTO global framework for trade in goods and services, and by our regional and bilateral trade arrangements. We now seek a similar framework for global rules on investment, starting with the MAI.

The MAI negotiations started in September 1995. It is important that this Committee realized that a successful MAI would not turn Canada's current investment rules on their head. Canadian negotiators have been tasked with simply replicating in an MAI the investment rules and exemptions Canada secured in the NAFTA. The MAI rules would not be new; they would be consistent with Canada's existing legislation and policy, namely:

- non-discriminatory treatment between foreign and domestic investors;
- that the expropriation of investment property be for a public purpose, be done fairly, and be accompanied by prompt and equitable compensation; and
- access to effective dispute settlement.

Canada also hopes that these negotiations will help address issues such as the U.S. Helms-Burton Act. Canada, with the support of the European Union, has tabled proposals to curb unilateral, extraterritorial measures targeted to investment.

On environment and labour standards, I want to be clear that the Government will never accept an agreement that would limit our ability to protect the environment or maintain high labour standards as we see fit. We are also pushing for strong language in the agreement so that other countries do not lower their standards to attract investment. In this regard, the Committee knows that labour and the environment are shared jurisdictions; we are currently consulting with the provinces on this matter. We are also working with the other countries and with interested Canadians – including non-governmental organizations – to balance different viewpoints in a responsible fashion. I do not mean to be evasive, but at this stage, it would be premature for me to prejudge the results of these consultations. Clearly, however, the Government's preference is that the rules be as strong as possible.

Finally, I want to emphasize that this Government will listen to the views of all Canadians. The MAI is not being negotiated in secret. Since assuming the portfolio of Minister for International Trade, I have made every effort to provide more information and ensure all views are heard. My Department is consulting closely with the provinces, the private sector and non-governmental organizations. Consultations have intensified, and this will continue. Canada supported the OECD releasing a draft working text of the MAI to non-governmental organizations. I am pleased to table this same text with you today. In addition, I have communicated directly with Canadians that have voiced concerns about the potential agreement, like the Council of Canadians, the Canadian Environmental Law Association, and the Canadian Labour Congress. In fact, these groups have already met our MAI negotiators. I have also sent briefing packages on the MAI to all MPs and Senators and made sure that my Opposition trade critics received briefings on the issue. Your Committee is now playing a vital role in ensuring that Parliament continue to reach out to all Canadians on the MAI.

I can assure you that the Government will only sign a deal that serves Canada's national interests. The building blocks of the MAI are in place but the hard issues are now on the table. I look forward to hearing your views and responding to your concerns so that, together, we can make this agreement improve the economic prosperity and future of our country. I am confident that this is a common goal that we all share.

Thank you.

Endnotes

1. United Nations Conference on Trade and Development (UNCTAD), *World Investment Report 1997: Transnational Corporations, Market Structure and Competition Policy*, United Nations Publication 1997, at xviii.
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Statement

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NOTES FOR A LECTURE BY
THE HONOURABLE LLOYD AXWORTHY
MINISTER OF FOREIGN AFFAIRS

"THE UNIVERSITY OF OTTAWA
GORDON HENDERSON DISTINGUISHED LECTURE"

OTTAWA, Ontario
November 6, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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I am honoured to have been asked to give this year's Gordon Henderson Lecture on human rights. I am pleased to have this opportunity to commemorate the legacy of Gordon Henderson, both for his work on human rights and as a benefactor to the University of Ottawa Centre for Human Rights. The Centre has taken up a challenge – that of making the link between human rights theory and practice – that, as Foreign Affairs Minister, I face almost every day in the international context. I would like to outline for you, in my remarks today, how I see Canada taking up that challenge in an era of profound global change.

As we approach the 50th anniversary of the Universal Declaration of Human Rights, the international community is poised on a fulcrum.

The breakdown of the old bipolar world has created new possibilities to promote and protect human rights. Globalization has opened up borders to new ideas and information, affording us new opportunities to build a universal culture of human rights. Democracy has taken root in the majority of the world's states. Civil society is thriving. The conditions are there to achieve progress on human rights unimagined by the drafters of the Universal Declaration in 1948.

At the same time, as I speak, human rights violations are being committed in many parts of the world: political dissidents are being jailed, people are being tortured, children are working in exploitative conditions, and internal conflicts are claiming innumerable civilian lives. Globalization has brought with it a dark side: transnational organized crime, terrorism, the drug trade, transboundary environmental pollutants and growing global economic inequities.

In short, although recent years have seen impressive progress in the international human rights system, there is still a significant gap between respect for human rights on the ground and the lofty principles set out in the Universal Declaration 49 years ago. I see the 50th anniversary of the Declaration next year as a watershed – a defining moment that can either build on the momentum of the past few years or stall our advance.

We have been working to adapt Canada's international human rights policy to respond to, and capitalize on, these changes in the global environment. We are learning to tackle old problems in new ways, by:

- developing a human rights foreign policy that maximizes Canada's effective influence, by using a range of foreign policy levers and involving civil society actors; and
- developing a holistic foreign policy that sees human rights through the broader lens of human security, and integrates human rights concerns into other aspects of our foreign policy. Our ultimate aim is to prevent human rights abuses by addressing their root causes.

What I propose to do today is to offer some reflections on the past, present and future of the Universal Declaration, and on how we are working to adapt Canada's international human rights policy to ensure that the Declaration gains in strength over its next 50 years.

The Past

Before the adoption of the UN Charter and the Universal Declaration, international law left states free to treat their own citizens as they saw fit. Human rights fell exclusively within the limits of state sovereignty, hidden from international view.

The Charter in 1945 and the Universal Declaration in 1948 did two things:

- Human rights became one of the guiding principles of international relations, with the international community affirming "faith in fundamental human rights and the dignity and worth of the human being" and promising to "promote social progress and better standards of life in larger freedom."
- But at the same time, the Charter and the Declaration reaffirmed the principle that each state had a "domaine réservé" – an area of absolute sovereignty that was shielded from international scrutiny.

The early years of the international human rights system were characterized by a sterile to-and-fro between those states that sought to hide human rights abuses behind an impenetrable cloak of national sovereignty, and those that argued that human rights were a legitimate concern of the international community. A limited number of human rights treaties were negotiated, but ratification and implementation lagged behind.

The Present

What has changed? Recent years have seen the sterile polemic dissolve. With globalization, people, ideas and information are now moving across borders at unprecedented rates, and state sovereignty has become a much more diffuse concept. Many states have shown a new willingness to allow international scrutiny of their human rights records, permitting visits by special rapporteurs, signing on to international complaint mechanisms, and submitting regular reports on compliance to international treaty bodies. Processes that were formerly the province of states alone have now opened up to participation by a broad range of non-state actors. In essence, the international human rights system is evolving from an era of standard setting to an era of implementation.

At the same time, human rights are increasingly seen as inseparable from questions of international peace and security, international trade and development assistance. In effect, human rights cannot be seen as an afterthought to other considerations in international relations, but must be seen as a "threshold issue," integral to our other foreign policy concerns.

The Way Forward: Developing a Canadian Human Rights Tool Kit

What does this sea change in the international environment mean for Canadian international human rights policy? It means that:

- human rights must be an integral part of our foreign policy and a consideration in any relationship Canada has with another country, from the moment we enter into that relationship;
- such a policy is not pure altruism or idealism. While it reflects Canadian values, it also serves Canadian interests;
- in order to effect positive change, Canada has to be ready to engage a whole range of foreign policy levers;
- the active involvement of civil society is essential, both at home in Canada and abroad; and
- we have a uniquely Canadian contribution to make to international human rights protection and promotion.

Human Rights Are Integral to Canada's Foreign Policy

International respect for human rights is not a luxury, it is an imperative of living in a global society. Today, most important Canadian "domestic" issues have an international dimension. All are shaped by international forces and events. None can successfully be addressed by governments in isolation from the international sphere.

New threats to human security, if not addressed in a comprehensive manner, affect the health, security and quality of life of Canadians. With trade, travel and telecommunications linking countries more closely together than ever, each individual country has a growing stake in how other nations govern, or misgovern, their citizens. Mature democracies are less likely to go to war with one another, unleash waves of refugees, create environmental catastrophes or engage in terrorism.

Jobs and growth at home are increasingly dependent on trade and investment abroad. States that respect human rights and the rule of law are more likely to honour their commercial commitments. The well-being of the international economy is linked to issues of stability and security.

All of this means that human rights must be integral to our overall foreign policy. It means that we have to be ready to

maximize our effective influence through a whole range of foreign policy tools:

from "soft diplomacy" measures such as:

- democratic development and peace-building,
- improved trading relationships,
- support of the work of NGOs [non-governmental organizations] and the private sector,
- bilateral human rights dialogues and
- technical assistance;

to "hard diplomacy" coercive measures such as:

- international condemnation in resolutions at the UN Human Rights Commission,
- international monitoring missions,
- economic sanctions and
- peacekeeping missions.

These measures are not mutually exclusive. The steps we take will necessarily vary from country to country, depending on a range of complex factors: the severity of human rights abuses; the number and strength of indigenous human rights NGOs; and the capacity of the country to build a judicial, legal and human rights infrastructure.

At times, the Government of Canada has been criticized for being inconsistent in its approach to different countries. But a coherent human rights policy does not require or even imply uniformity of treatment. It would be easy to take very public stands on every human rights abuse in every country, and it might even be quite popular, but this would not, on its own, change much in the country concerned. Each situation and each country holds a different potential for effective action. The key is to find the right foreign policy approach to fulfil that potential.

Linking Human Rights and Trade

Perhaps the most sensitive issue in this regard is the relationship between trade and human rights. Critics of engagement see a dichotomy between trade and human rights. I would argue that it is a false one. Although trade on its own does not promote democratization or greater respect for human rights, it does open doors. It creates a relationship, within which we can begin to speak about human rights. In addition, as countries open up to foreign trade and investment, they come under increasing pressure to respect the rule of law. At the same time, they see more and more reasons why it is in their own interests to do so. The issue here is not a crude choice between trade or human rights, but rather a need for responsible trade.

I think the area of child labour best illustrates my point that megaphone diplomacy and coercive measures are not always the most effective route for bringing about positive change, and that encouraging ethical trade can be a positive tool for change. Punitive measures, such as limiting the importation of certain products made with child labour, risk displacing child workers into even worse situations, such as prostitution. They also ignore the plight of the vast majority of child labourers in developing countries who are employed in the domestic and informal sectors.

The underlying cause of child labour in developing countries is poverty. The solution is to attack the root cause of the problem, and to offer viable alternatives to exploitative child labour. This is why Canada approaches child labour issues through technical co-operation based on reducing poverty and meeting basic human needs, and through partnerships with non-governmental organizations and the private sector.

For example, Canada has established a \$500 000 child development fund in India to help combat exploitative child labour. Canada funds a range of preventative projects through CIDA [Canadian International Development Agency], for example providing for the education of girls in Africa. In the Golden Triangle, we fund crop substitution and rehabilitation for people who lived off the heroin trade, many of them former child prostitutes or the children of prostitutes.

We are also working within Canada to target sexual exploitation of children. Through Bill C-27, we have amended the Criminal Code to allow for the prosecution of Canadians who engage in commercial sexual activities with children while abroad. Senator Landon Pearson, my special advisor on children's rights, is organizing an International Summit of Sexually Exploited Youth, which will bring together youth from around the world who have worked in the sex trade to talk about their experiences and solutions to the problem.

The key to success on issues of child labour is engaging the private sector and fostering change from within. Earlier this year, Errol Mendes, Director of the Centre for Human Rights at the University of Ottawa, spearheaded an initiative with the Canadian Alliance of Manufacturers to draft a voluntary code of conduct for Canadian business overseas. I am very pleased that the Alliance and a group of Canadian businesses have now adopted such a code, aimed at issues of corruption, fair labour practices, human rights and health and safety. Progressive business practices by Canadian companies overseas can help instil a culture of respect for core labour standards and fair conditions of work in local businesses.

The Canadian government has also launched the Child Labour Challenge Fund to support Canadian private sector initiatives aimed at addressing exploitative child labour internationally. We will provide matching funds to the private sector to support projects such as voluntary guidelines, codes of conduct and consumer labelling. More broadly, we are working in the ILO [International Labour Organization] and the WTO [World Trade Organization] to promote international commitment to core labour standards. By moving beyond an artificial dichotomy between trade and human rights, we open up new avenues to pursue the goal of responsible and ethical trade.

Linking Human Rights to Peace and Security

At the intersection of peace and security and respect for human rights lies what I have termed "peace-building." Our work on peace-building provides another example of how Canada is working to adapt its foreign policy tools. The link between human rights and building sustainable peace in countries prone to recurring cycles of violence is clear. Human rights abuses are a key diagnostic tool for early warning of emerging conflicts, identifying vulnerable populations for humanitarian assistance during conflict, and assessing progress in fragile periods of post-conflict reconstruction. In countries torn by inter-ethnic conflict, ensuring respect for the human rights of every sector of the population is the key to building sustainable peace.

The establishment last year of the Canadian Peace-building Initiative, including the Canadian Peace-building Fund and a roster of Canadian human rights experts, aims at increasing Canada's capacity for rapid, co-ordinated and flexible responses to intra-state conflicts. We are committed to ensuring that Canadian capacities are identified and deployed quickly and effectively in response to human rights emergencies.

To give some concrete examples, over the last six months we have used the Fund to:

- provide critical start-up funding for the Guatemala Historical Clarification Commission;
- assist the Preparatory Commission for the Establishment of an International Criminal Court by underwriting the participation of delegates from developing countries;
- provide financial assistance for the work of the joint UN/OAU [Organization of African Unity] Special Representative for the Great Lakes Region of Central Africa; and
- establish a free-media project in the Balkans.

An important element of healing war-torn societies is restoring the rule of law and ending impunity. The international tribunals for Rwanda and the former Yugoslavia will not only bring specific

war crimes and crimes against humanity to light, but will also serve as an invaluable precedent for the creation of an International Criminal Court. The tribunals must have the support of the international community in order to be credible and effective. It was in this belief that Canada recently submitted an amicus brief to the Tribunal for the former Yugoslavia, defending its authority to issue orders for the production of evidence.

We have been working hard for the timely establishment of an independent and effective International Criminal Court, with inherent jurisdiction over the "core" crimes of genocide, war crimes and crimes against humanity. If there is no impartial means to uncover truth and administer justice in the aftermath of war, nations will find themselves plunged into continued cycles of violence, fuelled by unfinished business.

Linking Human Rights to Development

Experience has demonstrated the link between economic development and human rights. The success of development programs and macro-economic reforms hinges on the existence of stable, predictable and transparent systems of government, which respect human rights and the rule of law. In other words, on good governance.

The situation in Algeria is a case in point. All Canadians have been horrified by the massacres in Algeria in recent months. We condemn in the strongest terms the terrorists who have carried out these vicious attacks on innocent, defenceless women and men, young children and the elderly.

We have acted to provide support to the Algerian people, and to promote an eventual resolution of the crisis. Canadian development assistance funds support day-care centres so that Algerian women can work, support work for the handicapped, support the independent Algerian press, and helped rebuild the Press Centre when a bomb destroyed it. We are promoting political and economic reform in Algeria, by sending election observers, by promoting new enterprises and job creation, and by encouraging enhanced trade and investment relations between Canadian and Algerian companies. A new CIDA program to promote enhanced institutional linkages – for example, between our universities and colleges – is currently getting under way.

As both sides of the conflict reject direct international intervention, the scope for it to work is very limited. Rather, we believe that broad, sustained reforms of Algeria's political and economic institutions hold the key to an eventual resolution of this crisis. I have stressed this point to Algeria's Foreign Minister, with whom I have met twice this year. Canada also emphasizes the importance of observing accepted international human rights standards, and we do not accept that the need to

apprehend and neutralize the terrorists – urgent though it is – provides an excuse for human rights abuses by Algeria's security forces.

Ultimately, the best defence against terrorism, and the human rights abuses it provokes, is a free and pluralistic society. Our efforts in Algeria – our political relations, our aid program and our economic co-operation – are all directed toward this goal.

Maximizing Canada's Effective Influence

In aiming for effective influence, we vary our approach depending on the degree of willingness of particular countries to engage with Canada on human rights questions, and on our leverage. Canada maximizes its leverage through "niche diplomacy," by identifying particular Canadian values we can bring to international human rights debate. We then work to redefine our alliances, partnerships and international co-operation programs to make this uniquely Canadian voice heard.

One area where Canada has made a niche for itself, and perhaps the most distinctive feature of our human rights policy, is in supporting change from within. The Canadian approach involves fostering local human rights capacity to create a space where civil society can grow.

We believe that the impulse toward respect for human rights is inevitable, but at the same time we are realistic about some of the governments we are dealing with. We do not expect these governments to become sudden converts to the cause of human rights. But they will yield gradually – because they have no choice – to pressure for change from within their own societies.

In recognition of this, Canada has recently undertaken a series of new bilateral human rights initiatives with China, Cuba and Indonesia. Our aim is to work with a range of counterparts to establish government-to-government discussions, exchanges between human rights institutions, civil society initiatives, and projects developing free media.

In fact, as I speak, Canadian officials are returning from meetings in China and Indonesia. Two major components of the package of human rights initiatives between Canada and China were the establishment of the Joint Committee on Human Rights and China's commitment to sign the UN Covenant on Economic, Social and Cultural Rights. I am pleased to announce that at the same time as our officials were in China for the second meeting of the Joint Committee, the Covenant was signed. Under the dialogue, we are also assisting with a review of China's criminal procedure, with the development of adversarial trial and legal aid systems, and with implementation of China's obligations under the Convention Against Torture.

During my last visit to China, I presented the Chinese government with a list of individuals who have been imprisoned for political activities. At the October meeting, China broke with its past practice and provided Canadian officials with information about some of the individuals on that list. We will continue to press for more information.

On October 29-30, the Indonesia-Canada Human Rights Colloquium was held in Jakarta, as the first event under the Bilateral Consultative Forum I established with Indonesian Foreign Minister Alatas in July of this year. This was the first ever bilateral human rights colloquium held in Jakarta, and it was attended not only by Canadian and Indonesian officials, but also by NGOs, business representatives, the media, and ASEAN [Association of Southeast Asian Nations] and international observers. We hope that this wide participation will spur others to follow Canada's lead and will have a spill-over effect in the region.

Specific issues of concern raised by both sides included East Timor, freedom of the press, political reform, independence of the judiciary, labour standards and good governance issues. A Memorandum of Understanding on technical co-operation in human rights will be finalized shortly as an outcome of the Colloquium.

Bilateral human rights dialogues are, however, only a means to an end. The dialogues we have entered into with Cuba, China and Indonesia are slowly starting to bear fruit. But this approach will not succeed with all countries and in all instances. Even where bilateral dialogues are possible, multilateral and other diplomatic channels need to be kept open to ensure concrete results.

This is particularly important where dialogue or engagement is impossible. Regimes such as Nigeria and Burma have increasingly isolated themselves by refusing to co-operate with United Nations human rights mechanisms, refusing to engage with Canada and others on human rights questions, and refusing to honour their international commitments. It is in cases such as these that the more coercive measures may be the last and only resort.

The Multilateral Advantage

Canada has, for more than 50 years, made multilateralism a centrepiece of our foreign policy. Multilateralism serves us well when we need to deliver difficult messages, by providing not only balance but weight to our messages. It is not surprising, then, that Canada has been and continues to be very active in the human rights work of the UN. Canada has been active since the adoption of the Universal Declaration in ongoing work on standard setting, which has produced over 60 international human rights instruments. As we speak, Canadian officials and representatives

of Aboriginal groups are working in Geneva on a UN declaration on the rights of indigenous peoples.

As we approach the 50th anniversary of the Universal Declaration, the United Nations is undergoing an intense period of renewal and reform. In the field of human rights, the focus has shifted to implementation. We have been pressing, through Canadian resolutions at the Commission on Human Rights, to ensure that the UN human rights treaty bodies have the tools needed to monitor states' commitments. We have established UN special rapporteurs on freedom of expression and violence against women. And we are working hard to ensure that the new High Commissioner for Human Rights, Mary Robinson, has the financial and political support needed to do her job.

As part of our celebrations of the 50th anniversary of the Universal Declaration, Canada is sponsoring the development and publication of a prototype annual report on the state of human rights worldwide, based on the findings of the UN's independent human rights mechanisms. We will also fund a conference on human rights and the Internet, with a focus on using the Internet for dissemination of human rights information.

At the same time as we are working to strengthen the UN, we are also working to foster the growing human rights role of regional organizations. The Commonwealth Ministerial Action Group was empowered by heads of government to address serious and persistent violations of human rights, not just through expressions of condemnation, but through concrete action. The Commonwealth was the first multilateral body to marshal international condemnation of Nigeria's human rights record, suspending it from the Commonwealth and paving the way for condemnation within the UN and the creation of a special rapporteur. The recent meeting of the CMAG established explicit benchmarks for a timely and credible return by Nigeria to democracy, promising escalating sanctions should Nigeria fail to do so.

At this year's Summit of the Americas in Santiago, Canada and Brazil will co-chair discussions on the themes of indigenous peoples and human rights and democracy. In the Organization of American States, Canada initiated the Unit for the Promotion of Democracy, a unique mechanism for the long-term promotion and strengthening of democratic institutions and processes. The strengthened role of regional organizations is also evident in Europe, where the Organization for Security and Co-operation in Europe is addressing human rights problems in Central and Eastern Europe.

Conclusion

We talk of these tools and approaches in a very matter-of-fact way. But their very existence, when we contrast the present to the early days of the Universal Declaration, represents a radical change. So, too, does the growing integration of human rights concerns into other aspects of international activity. Labour standards and children's rights, impunity and peace-building, military expenditures, the export of small arms and landmines — all have a human rights dimension. In essence, we now approach human rights through the more comprehensive lens of "human security." This means there is scope not only for remedial action, but also for a range of other measures to prevent human rights abuses and to address their root causes.

Canada's record gives us international standing to speak and act on human rights issues, but we have to be realistic about the extent of our leverage. We are neither inclined nor able to dictate. The key to our approach is maximizing Canada's effective influence.

Building respect for human rights is one of the most challenging tasks of foreign policy as we approach the end of the century. It takes time, it is prone to reversals, and it requires sustained action on the bilateral and multilateral fronts. It demands a comprehensive and flexible approach that takes into account the link between respect for human rights and peace and security, development and trade. In this way, we hope to create the conditions needed to bring the Universal Declaration into the next 50 years with renewed vigour. And, above all, to narrow the gap between the principles that the international community set down in the Declaration 49 years ago and the reality of human rights around the world.

Thank you.

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Statement

97/50

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI,
MINISTER FOR INTERNATIONAL TRADE,
TO THE U.S. CHAMBER OF COMMERCE

WASHINGTON, D.C.
November 13, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Ladies and gentlemen,

It's great to be in your beautiful city. President Kennedy once described Washington as "a city of northern efficiency and southern charm." Well, this meeting has started on time and we have certainly enjoyed your generous hospitality, so you are living up to your reputation so far!

On my way over here today, I was thinking about the relationship between our two great countries and about some of the differences between us.

In America, it's "life, liberty and the pursuit of happiness." In Canada, it's "peace, order and good government." Someone has suggested that the advantage of pursuing happiness instead of good government is that at least with happiness, there is a possibility of achievement!

But, for all our differences, I know that few Canadians would want to live next to any other country, and I suspect that most Americans feel the same way about their northern neighbour.

We are friends, we are neighbours and, more than ever, we are each other's closest and largest economic partners.

This partnership manifests itself today in this room. It gives me great pleasure to address members of the U.S. Chamber of Commerce, the Canadian Chamber of Commerce and the Canadian-American Business Council. And we count on the advice, support and leadership of your organizations, on both sides of the border, as we move forward to build on our successes in North America.

In the brief time I have here today, I'd like to focus on two issues: first, Canada's healthy economic and investment climate at home; and second, Canada's commitment to the hemisphere, specifically to the Free Trade Area of the Americas [FTAA].

On January 12, 1995, *The Wall Street Journal* published an editorial entitled "Bankrupt Canada?". It warned of the debt burden Canada was carrying and talked about us "hitting the wall," much as Britain had done in the 1970s and New Zealand in the 1980s.

Well, I can report good news: not only did we avoid hitting the wall, we turned around and headed in the opposite direction! What has occurred in the three short years since that editorial is nothing short of an economic renaissance. Canada stands today stronger and more competitive than we have ever been.

The numbers speak for themselves: when our government took office in 1993, our annual budget deficit was \$42 billion – and rising.

Today, that \$42 billion deficit has been virtually wiped out, and we expect it to be eliminated within the next year or two.

Interest rates are now below those in the United States and inflation is hovering at under 2 percent. In fact, Canadians are now enjoying the lowest sustained interest rates that we've had in 30 years.

While our unemployment rate remains unacceptably high, it too is falling. And the IMF [International Monetary Fund] predicts Canada will lead the G-7 nations in economic growth both this year and next.

What all of this means is that Canada now has an investment climate second to none. Recently, KPMG, an internationally recognized management consulting firm, conducted a comprehensive study.

It looked at the real costs involved in establishing and operating a company of 100 employees in eight different sectors of the economy. These were costs that almost every new business would have to consider — things like labour costs, including wages and benefits; initial capital costs; and the costs of electricity, telecommunications and transportation.

The study compared seven countries: Canada, the United States, Germany, France, Italy, the United Kingdom and Sweden.

The study found that when you combine all of the elements I just listed, Canada ranks number one. In other words, it is cheaper to set up and run a business in Canada than anywhere else studied.

One of the most interesting findings of the study — and maybe the most surprising for some of you — is that Canada is tied with Sweden for the lowest overall corporate tax rates. I know that seems counter-intuitive to many of you who believe that Canada is a high-tax country, but it is the kind of myth about doing business in our country that has to be exposed.

It is the mark of a wise investor to seek out undiscovered gems. And I can tell you without hesitation that if Canada were a company, Warren Buffet would be buying!

Now, as International Trade Minister, you would expect me to point to our trade performance as the reason for our economic turnaround. Of course, trade isn't the whole story, but the figures tell a good tale:

- Trade now accounts for more than 40 percent of our GDP, and one out of every three jobs in Canada is dependent upon trade.

- Our exports are up more than 45 percent in just four years. Two-way trade with the United States has doubled since 1989. In 1996, we traded an astounding \$456 billion.
- It is no coincidence that since 1993, almost a million new jobs have been created in Canada.
- This good news trade story is understood in Canada. Recent studies show that 70 percent of Canadians support the concept of freer trade. This is up from a majority of 56 percent in 1993 when the NAFTA was signed. Six in ten (63 percent) Canadians support the NAFTA, up from 37 percent in 1993.

Each and every day, over \$1 billion in goods and services are exchanged between our two countries – this is the world's largest trading relationship. And even more impressive, over 95 percent of that trade crosses the border problem-free. It is therefore vital that we not allow trade irritants to define or discolour what is clearly a remarkable partnership between our two countries.

In this context, I'd like to thank the American business community for your support for the exemption of Canada from Section 110 of the U.S. Immigration Act. Free movement of people and goods across our shared border is essential if we are to continue our rapid growth in two-way trade.

We can also work together beyond our borders. More accessible trade and investment markets are a goal that Canada and the U.S. share. This is reflected in the NAFTA. But it's also why our two countries are among the strongest supporters of the World Trade Organization.

As you know, the WTO is the cornerstone for ongoing trade liberalization efforts, from the recently concluded agreements on telecommunications services and on information technology to the financial services negotiations, which are heading into the final stretch as we speak.

Both our countries are also committed to the resumption of negotiations in agriculture and in services, which are slated for the turn of the century. The WTO provides the foundation for bilateral and regional initiatives that deepen trade reform, including the FTAA.

In Canada, expanded rules-based trade has always meant jobs and growth. Along the way, Canada has changed not only how we trade with the world, but how we see ourselves in the world. Our roots are planted deeply in European soil. We have also enjoyed a long history of friendship with the United States. More recently, through the development of strong ties with the world of Asia Pacific, we have transformed and diversified our economic life. Now, this transformation is being enhanced through more

engagement with the Americas as a whole, which brings me to the second topic.

Canada is unmistakably a nation of the Americas, and together we want to build a common destiny. Our commitment to this region is clear.

First, beyond our partnership with Mexico in the NAFTA, we have signed a free trade agreement with Chile. Designed to be a bridge to Chile's eventual accession to the NAFTA, this agreement is creating impressive opportunities for Canadian businesses, and we are very optimistic about our bilateral relationship.

Second, we are currently negotiating an arrangement on trade and investment co-operation with Mercosur. This is an important market for Canada - our investments there total \$6 billion - and we will continue to build this relationship in the years ahead.

Third, Prime Minister Chrétien will lead a Team Canada trade mission to the region next January, visiting Mexico, Brazil, Argentina and Chile. We expect more than 400 business people to join the Prime Minister and provincial premiers in a combined effort to forge new commercial relationships and open doors to new markets.

Finally, nowhere is this commitment more clear than in Canada's unwavering support for a Free Trade Area of the Americas. And we welcome U.S. partnership in this endeavour.

In fact, despite the delay, we are hopeful that the President will succeed in coming up with a bi-partisan package on fast track that Congress will pass before next spring's Summit of the Americas in Santiago, Chile. This would send an important message to the world that the United States will play a leadership role in liberalizing trade. For our part, Canada does not intend to allow the delay in securing fast track to slow our own agenda to further liberalize trade in the hemisphere.

Why this push for hemispheric free trade? Why look to Latin America and the Caribbean? Because the growth is there. The opportunities and partnerships are there. By the year 2000, this region will have a population of nearly 500 million and a GDP of \$2 trillion - and that's U.S. dollars! But most importantly, there now exists a shared desire, and a unique opportunity, to build a true sense of community in the hemisphere.

So this really is a "ground floor" opportunity, and we must get in on it. This is the message I have heard repeatedly from the Canadian business community, which is extremely bullish on Latin America.

We also have to recognize that this region is demonstrating a strong commitment to continuing market reforms and to advancing democratic rights and good governance.

Argentina, Brazil, Paraguay and Uruguay have banded together in the Mercosur customs union, which has, in turn, signed free trade agreements with Bolivia and Chile.

Mexico, Colombia and Venezuela have entered into a free trade agreement, and the countries of Central America and the Commonwealth Caribbean are strengthening their respective customs unions.

These initiatives have not gone unnoticed: the European Union is already engaged in trade discussions with Mercosur. So we hesitate at our peril. The time for renewed commitment is now.

We simply must create the framework for a more open and predictable trading system in the region. For our part, Canada sees the FTAA as a comprehensive agreement, covering goods, services, investment and intellectual property. We see a hemisphere-wide partnership based on a single undertaking, containing a common set of rights and obligations for all members. The negotiations must start as a comprehensive package, with all cards on the table, including tariff and market access issues. Substantially all of these tariffs and trade barriers should be eliminated within 10 years of the agreement coming into force. At the same time, we must also recognize the special needs of the smaller members in these negotiations by adopting a phased-in approach for them that best serves their interests.

These are our goals and we are working hard, along with our FTAA partners, to ensure a smooth launch for the April meeting in Santiago. Detailed negotiations will have to begin immediately following Santiago so that we can meet our leaders' commitment to make real progress by 2000 and conclude negotiations by 2005. Given this timetable, it is important that the United States has fast-track authority to help move this process forward. We are under no illusion about the challenges that await us. But progress toward anything worthwhile is always difficult.

Canada understands the benefits of free trade because we are experiencing them. Having adjusted to the NAFTA, we are now confidently expanding our frontiers and our fortunes around the world. The global economy is becoming increasingly interconnected, and we do not intend to watch from the sidelines.

In the days that lie ahead, the United States and Canada must lead — and lead decisively. Our vision must be outward, not inward. We must work together to extend the benefits of free trade throughout the Americas, and we must break down the barriers and attitudes that prevent us from realizing that goal.

We must also highlight the social dividend — such as new schools, hospitals, higher incomes and higher labour and environmental standards — that flow from a well-administered, open economy.

If we do this, I believe we will usher in an era of hemispheric prosperity and stability. And the FTAA will take its place as a truly historic undertaking.

I began by quoting President Kennedy. In the interests of bipartisanship and fairness, let me close by quoting the words of President Reagan. When he addressed the Canadian Parliament in 1981, he reminded us that "our mission is more than simply making do . . . [it is to] lift the world's dreams beyond the short limits of our sights, to the far edges of our best hopes."

Let us take that wise counsel to heart and forge ahead as friends, advance as allies and proceed as partners. Because together, there is little we cannot do.

Thank you.

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Statement

97/51

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI,
MINISTER FOR INTERNATIONAL TRADE,
TO THE LUNCHEON FOR WILLIAM DALEY,
U.S. SECRETARY OF COMMERCE,
OFFERED BY THE CANADIAN BUSINESSWOMEN'S
INTERNATIONAL TRADE MISSION

WASHINGTON, D.C.
November 13, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Secretary Daley, fellow Canadian Parliamentarians, ladies and gentlemen:

I must admit that one of the best things about the job of International Trade Minister is the opportunity to assist and represent our Canadian business community when we take on the world on missions such as this. It is a source of great pride for me.

I believe that when we export our products and services, we are also exporting our country's values and promoting our country's international image. In this way, you, the women entrepreneurs from Canada and the United States here today, are preparing for an important task when you take on the challenge of preparing for export markets for the first time.

But this is not the only reason your governments take an interest in your success.

In this era of rationalization of precious government resources, we cannot afford to be complacent. We cannot continue to do things the way we always have. We cannot be all things to all people.

We in government must target our activities more sharply toward those sectors that have the most potential for growth and that will benefit the most from our help. In a country where international trade sustains one job in three, I cannot afford to fail in this task.

And who is responsible for the bulk of our trade? It seems incredible that 50 Canadian firms alone achieve almost 50 percent of our exports. And when you consider that only 10 percent of our small and medium-sized businesses [SMEs] export, this tells me that there is a lot of room for growth in this important segment of our business community.

We asked ourselves the questions: "Why are SMEs not exporting?" "What innovative strategies can we develop to help them get their goods and their services into international markets?" "In which areas can we focus our resources where it makes the most sense?" "What are the trends and how can we take advantage of them?"

Well, when I look at the face of SMEs in Canada today, one striking trend emerges. And that is the incredible dynamism of women entrepreneurs.

In the last 20 years, self-employed women have had the fastest rate of growth of all employment sectors in our economy. Today, women own and lead almost one third of all Canadian companies.

In total, their businesses employ more people than Canada's top 100 companies.

Over two million Canadians work in businesses owned and led by women.

Clearly, the world of business is no longer just a man's world – and hasn't been for some time now.

And it should surprise no one that our Chief Trade Commissioner and the head of the new SME division in my department are both accomplished women.

Indeed, the same is true in this country, where both the trade representative and the head of the Small Business Administration are also outstanding women.

But despite these incredible statistics, women entrepreneurs are under-represented in our trade culture. And I want to change that.

The purpose of this mission is to do just that. This mission will encourage the contacts that lead to contracts.

It also made perfect sense to me that we should launch this initiative in Washington.

The mid-Atlantic states surrounding Washington represent one of the richest markets in the world. Seventy-five percent of the world's multinational enterprises are represented in Washington. It also has the second-highest concentration of high-tech firms outside Silicon Valley. This \$11.5-billion market holds incredible potential for all sectors of the Canadian economy, including businesses owned and led by women.

That being said, I want to assure you that the Canadian businesswomen with us here today – and hundreds of thousands back home – are ready to do business with you in any part of this country.

After all, Canada and the United States are each other's largest trading partner.

The potential that exists for us in this market is why we must take the steps to support our exporters and to encourage more of our businesses to look across the border for opportunities.

We have to focus our assistance where our customers are and where we are most relevant.

And to do so means a sharper targeting of our activities toward those sectors that have the most potential for growth, and that will benefit the most from our help.

Women-led and women-owned small and medium-sized businesses are certainly in that category.

Another reason for beginning with our largest trading partner and closest ally is that it makes sense for new exporters to start off in a market that is relatively close to home and that has relatively similar business practices.

It is an opportunity for our companies to gain valuable exporting expertise before going global.

And I have every expectation that they will do so.

Because the products and services being offered by the Canadian businesswomen with us today are world class! They represent everything from aerospace to automobiles and from petroleum products to the new leading-edge environmental industries.

They are manufacturers of computer software and other information technology products, of food and drink, of health aids, toys, paints, pharmaceuticals, paper, promotional products, clothing, jewellery, artwork and much more.

They are experts in management consulting, taxation, transportation, communications, education, film distribution, estate planning, strategic alliances, government relations, talent management and other services.

And many of them have put deals in place already.

In fact, later today we will have the opportunity to witness the signing of contracts and strategic alliances in areas as diverse as cross-border freight shipping, specialty papers, media products, promotional products, printing and others.

But, believe me, there will be more. We have found that following similar trade information sessions, fully 55 percent of the group go on to make their first sales in the United States within a year to a year and a half.

And as we agreed when we met last summer, Mr. Secretary — when you led a delegation of small and medium-sized businesses to Ottawa — the success of trade missions is in the follow-up.

To that end, your department here in Washington along with the Small Business Administration and my department in Ottawa have agreed to work together on a Canada-U.S. Women's Trade Summit to take place at York University in Toronto in May 1999.

In fact, I had a very productive meeting yesterday with Mrs. Alvarez of the Small Business Administration, and, like you, Mr. Secretary, she is very supportive of this initiative.

The objective of the Summit is twofold.

First, it will bring together women business leaders from our two countries to identify – and recommend ways to eliminate – the barriers that inhibit businesswomen from entering international markets.

Second, it will attract an American trade delegation working through the U.S. Consulate in Toronto for two days of meetings, site visits and one-on-one business contacts. In this way, the Summit will embody the exact objectives the policy dialogue is supposed to address – that is, more business for more women across more borders.

The ideas and recommendations from the Summit will also be taken forward to the Conference on Women Entrepreneurs sponsored by the Organization for Economic Co-operation and Development [OECD] in the year 2000.

To make sure our joint Summit and the OECD Conference have solid data on the particular issues women in business face, we are putting together a "research coalition" of government, private-sector and academic representatives. My department will take a lead role in co-ordinating this activity along with Industry Canada and Status of Women Canada.

I am proud to recognize our first partners in this coalition. They are the Royal Bank of Canada, which has also been a generous sponsor of this mission, and the Women Entrepreneurs of Canada Foundation – both of which are represented here today.

In fact, the Women Entrepreneurs of Canada Foundation and the National Foundation for Women Business Owners here in the United States have agreed to co-operate in this task and will also be signing a memorandum of understanding to that effect later today.

But let me assure you that we are not going to wait until the next millennium before taking action!

As part of my department's ongoing program for exporters, a special visit is being planned to Washington next year. Its focus will be on international financial institutions and how to increase the number of Canadian women consultants winning contracts financed by the World Bank and the InterAmerican Development Bank.

We are going to complement our efforts on trade fairs and missions with a more concerted effort to provide Canadian businesswomen with the information they need to export their products and services. We will make greater use of vehicles such as the Internet to help bridge the information gap for women entrepreneurs.

And I also want to ensure that we increase the number of women participants on Team Canada trade missions – most notably, on our upcoming Latin American trip in January.

These initiatives in support of businesswomen are part of our overall effort to help all small and medium-sized businesses increase their exports through what I call Team Canada Inc.

The SME division that I have recently created within my department will focus on meeting the special needs of new exporter constituencies, particularly the needs of small and medium-sized businesses led and owned by women.

Having people "on the ground" in diverse marketplaces around the world is another essential ingredient for the success of our exporting efforts. We have made a commitment to increase by 30 percent the number of Canadian Trade Commissioners working at posts around the world.

I believe that these and other initiatives will make a real difference for Canada's current and potential exporters.

In closing, I want to salute the Canadian and American businesswomen here today. Yours has not always been an easy road to travel – not only in moving from domestic markets into international trade, but also in that long and sometimes daunting struggle just to start up a business and make it grow.

But I would like to leave you with a comment – and a compliment – from one of Canada's most colourful and outspoken politicians, the late Charlotte Whitton, who was the Mayor of Ottawa back in the 1950s.

She once said: "For a woman to get half as much credit as a man, she has to work twice as hard, and be twice as smart."

To which she then added in her own unique way: "Fortunately, that isn't difficult."

Well, maybe the "credit" she was referring to was not the kind that is usually on the mind of a small businesswoman sitting in a bank manager's office looking for start-up capital!

But whether you agree or disagree with all or part of her statement, I think all of us can agree that not only do women have the right and the ability to be full economic participants – it is in all our best interests to help ensure that more businesswomen take the plunge into international markets.

And when you do, it means increased economic opportunities for all business people, increased growth for our economy, and more jobs.

And when you do, I want you to know that your government will be here for you. Like any other good business partner, we will be listening to what you, our clients, want from us, providing information and services that are more timely, more accessible, more responsive, and always with an eye to the future.

And from where I stand right now, looking out at all the hard-working, creative, intelligent and ambitious talent seated before me, that future sure looks great.

I will be proud, and indeed I look forward to the day when each and every one of the participants in this historic mission takes on the role of representing Canada as an exporter of the best our country has to offer.

Thank you, and good luck.

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Statement

97/52

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI,
MINISTER FOR INTERNATIONAL TRADE,
TO THE
"WORKING THE NETWORK" EDUCATION CONFERENCE

TORONTO, Ontario
November 17, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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I've long believed in the twin notions of universal truth and the enrichment of the human spirit through knowledge.

Let me explain . . .

I was born in Argentina of Italian parents who emigrated there after the war. When I was still a child, we came to Canada.

And, as all newcomers to this country, my parents dreamed of making a better life for themselves and their children.

There's nothing unique about that.

Since time immemorial, parents the world over have done everything in their power to nurture and protect their young; to create a life for their children that was better than their own.

That's the universal truth I mentioned a moment ago.

My parents also believed that childhood is a time for enrichment; that if we aren't provided with intellectual nourishment, we fail to bloom.

Having said that, I should confess that in all my years at school, two words consistently caused my heart to skip a beat.

Those two words were "spot quiz."

So, when the Canadian Education Centre Network invited me here today, I thought: it's payback time.

Here's the quiz:

For 100 marks, what do Dr. Liu Chao-Hsiuan, Datuk Amar Dr. Sulaiman Daud, Dr. Tungky Ariwibowo and Pyung Heo Ku have in common?

Here's the answer:

At one time or another, all four travelled to Canada from abroad.

They came here to get an education they couldn't get at home.

And all went on to become successful in their fields.

Dr. Liu as Taiwan's Transport Minister; Dr. Sulaiman as Malaysia's Agriculture Minister; Dr. Tungky as Indonesia's Minister of Industry and Trade; and Mr. Ku as Honourary Chairman of the LG Group, one of South Korea's five biggest conglomerates.

Nor are these success stories unique.

Canadian alumni can now be found at the highest levels of Singapore's public and private sectors. Five of Singapore's most

powerful civil servants are Canadian alumni, as are many academics and industry leaders.

And in Hong Kong, graduates of Canadian universities are active in all sectors of Hong Kong's economy, including property, tourism and infrastructure development, banking and financial services, a cross-section of the trade sector, and in the senior echelons of government service.

Throughout the world, you can find public and private sector leaders who have been touched — who have been shaped — by a Canadian educational experience.

I tell you this because in the worlds of diplomacy and business, we in Canada have an opportunity to influence the next generation of world political and economic leaders through one of the very best education systems in the world.

And "connections" are what this government's activities in the international education marketplace are all about.

Because in our interconnected world, you can never have enough friends.

And so, in Canada's Year of Asia Pacific, I think it's fitting and appropriate that you have come together to talk about the importance of building networks.

And about one of the essential building blocks of all economies and societies.

Because, as we shift from resource-based to knowledge-based economies, education becomes increasingly critical to a strong economy.

As our last federal budget made very clear, the federal government sees education as a positive force — one that can help us create opportunities for young Canadians in high-growth sectors of our economy.

So, in that budget, we tried to open doors for young Canadians . . .

. . . by reducing barriers to postsecondary education through further changes to the Canada Student Loan Program;

. . . by increasing assistance for students with dependants;

. . . by helping parents finance their children's education; and

. . . by creating and funding the Canada Foundation for Innovation.

As well, the Canada Millennium Scholarship Endowment Fund, introduced by the Prime Minister in September, will reward academic excellence by providing thousands of scholarships each year to low- and moderate-income Canadians across our nation.

These are some of the keys we'll use to unlock the doors to job creation – and enhance our prosperity in the 21st century.

Our priority is to make sure that our young generation makes a successful transition to the world of work – and to the world at large.

To help transform this vision into reality, we're committed to working with the provinces and educators to ensure young Canadians acquire the skills they need in our highly competitive world.

Today, the international dimension of education is rapidly becoming a major feature of Canada's trade development agenda.

And the international education sector is important to us because it's not only good business – it's big business.

Education pays long-term dividends.

The North American education sector alone is a \$700-billion industry.

In 1995, the World Bank approved nearly \$3 billion in education-related contracts.

And in 1994-95, international students contributed \$2.3 billion, or the equivalent of 21 000 jobs, to our economy.

That's a trend we want to expand on.

And that's why education has been – and will continue to be – such an important part of our Team Canada trade missions abroad.

As you know, the education and training sector was one of the largest delegations during Team Canada '97.

And when Team Canada '98 travels to Latin America next January, I'm certain the education community will continue to play a vital role.

Team Canada aside, my department is working in other constructive and imaginative ways to connect Canada's international education market to the world at large.

The Program for Export Market Development, for example, is helping many associations and companies move into other markets.

And the WIN Exports program is helping to link Canadian educational suppliers with opportunities in new markets.

Both programs make good business sense.

We're also making sure our foreign service officers and trade commissioners are better trained to appreciate the nature and potential of the education market.

We're also working to help streamline student visa requirements.

And I support the Prime Minister's pilot project to go further in bringing the current student visa process into line with those of our competitors - without undermining the sense of security and well-being of other Canadians.

At the same time that nearly 100 000 international students are studying in Canada, 27 000 Canadians are studying abroad - many of them with our help.

And here, we're working with our public and private sector partners to expand our student and youth international work placement activities - exchanges that help all concerned.

We're involved because education is a two-way street.

The world needs more young people with a broader, deeper understanding of world culture and international business.

We need them working here in Canada.

And we also need them working in the economies with which we trade.

One of the ways we're encouraging this internationalism is by building on successful relationships.

And when it comes to the field of international education, the Canadian Education Centre [CEC] Network has become one of my department's most important partners.

It plays such an important role:

- . . . recruiting international students;

- . . . helping to broker government and corporate training contracts; and

- . . . forging new links between Canadian education institutes and their local counterparts.

Given the Network's good works, it doesn't surprise me that CECs are becoming busier and busier places.

Take the case of CEC-Bangkok, which opened only last year.

In the first half of 1997, the number of student visas issued for Thailand increased 140 percent over the same period the previous year.

And the good news doesn't end there.

October was Canadian education fair month in Northeast Asia.

While we don't have a CEC in Japan, our embassy in Tokyo co-sponsored a series of fairs held throughout Japan, in which 40 educational institutions, as well as five provinces, took part.

By all accounts, it was a great success, as were other CEC-organized fairs in Hong Kong and Seoul.

And, of course, the success of CECs goes beyond fairs.

The unprecedented success of CEC-Mexico has opened the door for us to move into key Latin American markets – and for French-language institutions to join the Network.

Building on the success of the network of CECs in Asia Pacific and Mexico, we plan to establish up to 15 new CECs by the year 2000.

And we're prepared to receive business proposals from any group interested in becoming our partner.

In a knowledge-based world experiencing profound changes, our goal is to make Canada the most connected country in the world.

Because it's no secret that people trade with others they feel most comfortable with, often in languages they speak and in cultures they understand.

In this regard, Canadians have links to every part of the world. And that's one of our greatest strengths. We must now turn this into a competitive advantage.

That's what I'm committed to doing.

And I seek and need your help.

I invite you to tell me how the government and the education sector can work better in partnership.

How we can market and promote education more creatively abroad.

How we can improve on current international co-op arrangements.

How we can we put more students in more places around the world.

I've called for an education round table early in the new year, so that we can answer these questions and explore all opportunities.

Any Canadian economic strategy that ignores education will leave us one giant step behind.

And, like you, I want Canada to be two steps ahead!

Statement

97/53

AS DELIVERED

AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY,
MINISTER OF FOREIGN AFFAIRS,
TO THE
1997 MIDDLE EAST AND NORTH AFRICA
ECONOMIC CONFERENCE

DOHA, Qatar
16 November, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Your Excellencies, distinguished guests:

I am very pleased to be leading Canada's delegation to the fourth Middle East and North Africa Economic Conference.

I would like to express my appreciation to our hosts, His Highness the Amir of Qatar and His Excellency Foreign Minister al-Thani. Your decision to proceed with this Conference at this difficult time for the region was not an easy one, but is a demonstration of your interest and your commitment. I also applaud your vision and determination to promote the rapid economic and social development of your country, to which Canada hopes to contribute.

I would also like to thank Mr. Klaus Schwab, President of the World Economic Forum, for the outstanding work he has done, in co-operation with the state of Qatar, in organizing this event.

For the past week, I have been travelling throughout the Middle East region to Egypt, Israel, the West Bank and Gaza, Jordan, Lebanon and Syria, and now I am in the Gulf region. I have talked to political leaders, members of civic groups, business people, aid workers, refugees and UN [United Nations] peacekeepers. I have come away from these discussions deeply concerned for the prospects of the peace process and the seeming loss of confidence and trust between political leaders in the region. The language of compromise that brought so much hope has been replaced too often with the language of dispute or division.

We also heard of the storm clouds of Iraq that loom overhead. The conduct of the Government of Iraq is not acceptable. Its continued opposition to the international community in its evasive response to UNSCOM [United Nations Special Commission] inspections and its confrontation with the UN Security Council must end. Canada's position is quite clear: Iraq must implement in full the provisions of the relevant UN Security Council resolutions, including the most recent ones, which were passed unanimously. It must resume full co-operation with UNSCOM. Sobering as the situation in the region may be, I am convinced that we cannot afford to let the future of this vital region fall prey to despair.

In my travels, I have heard eloquent voices and it is evident that the people of this region want peace to work. They deserve and have the right to a better future - one that holds out hope for a just and lasting peace. So, at this critical juncture in the peace process, we must keep alive the search for common ground.

I respect the decision of some of my colleagues who have chosen not to attend the Conference. Theirs was a difficult decision that reflects their concerns over the current state of the peace process.

Why then is Canada participating in this Conference? Canada has chosen to be here in Doha as a demonstration of our faith in the region. We are here to help those who share a goal of a comprehensive peace. While we harbour no illusions about the challenges that lie ahead, we believe that a just and lasting comprehensive peace can be realized between the people that I have just talked to.

We are here because we believe in the value of building partnerships. In my view, we must pursue opportunities to talk, and to seek solutions, whenever and wherever they present themselves. This has been the premise of our own participation in the multilateral track of the peace process. In our capacity as Gavel of the Refugee Working Group, we have continued to seek ways of bringing people together even as the formal process has become stalemated. Equally important we have continued the critical efforts of the Refugee Working Group to improve the current living conditions of Palestinian refugees, without prejudice to their rights and future status.

Visiting the refugee camps and seeing the small roofless houses crammed with children, the helpless faces of their parents and rivers of sewage that run through the narrow lanes, I realized that for the sake of peace, we must do more to assist these people. We must build a prosperity in which all peoples of the region have a stake, where everyone has the prospect of obtaining such basic things as a job, a decent home and a proper school for their children. Economic development and co-operation are integral to these goals. They provide reassurance that the sacrifices made and risks taken in the name of peace were justified.

To the business leaders gathered here today, I want to encourage you to speak out – you have a keen interest in seeing this region prosper. But more than this, you can give testament to what can be achieved through partnership between neighbours and peoples when borders no longer become barriers. The simple act of entrepreneurs doing business with their counterparts throughout the region can build the underpinnings of a lasting peace. Now more than ever, your voices must be heard by political leaders in this region.

These Conferences have highlighted the importance of co-operation to bring about the infrastructure for economic development in the region. But even the most basic infrastructure cannot be put in place in large areas in this region, where development of hundreds of thousands of hectares is paralyzed by the presence of landmines. Two days ago, I visited the Golan Heights and saw first hand the impact these invisible killers can have. In Saida, I spoke to young children whose lives had been forever altered by landmines, and who are still trying to recover from the trauma of their experience. Their suffering is the reason why we have

pursued so relentlessly our efforts to achieve a treaty to ban landmines. It is an example of international co-operation where people will come together in Ottawa to touch the lives of their neighbours - a good example of the hopes for peace in this region.

In early December, over 100 countries will sign an international convention that bans, with no exception or loopholes, the use, stockpiling, production and transfer of anti-personnel mines.

I would like to express my appreciation to our hosts, the Amir and Foreign Minister of Qatar, for your support for the Ottawa Process. I look forward to welcoming you, and other governments represented here, to Ottawa in just a few short weeks to sign the Treaty. For those who are not yet prepared to take this step, I hope your countries will nonetheless join us in Ottawa in the elaboration of an Agenda for Action that will address de-mining and victim assistance. I am particularly pleased by the decision of Jordan, Syria, Egypt and Israel to attend the Conference.

The most important lesson of the Ottawa Process is that seemingly intractable problems can be solved. I do not underestimate the magnitude of the differences that divide Arabs and Israelis. But I do believe that, with political will, commitment to the peace process, and a willingness to approach old problems in a new spirit, a just and lasting peace is possible. I promise you that Canada will play its part.

Statement

97/54

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI,
MINISTER FOR INTERNATIONAL TRADE,
AT THE
PEARSON-SHOYAMA INSTITUTE

VANCOUVER, British Columbia
November 20, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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It is a real pleasure to join you here at the Pearson-Shoyama Institute — an institute whose very name speaks to our heritage as a Pacific nation and to our proud place on the world stage.

This evening, I would like to share a few thoughts with you on what might be called Canada's "hidden assets."

These assets are our multicultural society, our vibrant small and medium-sized businesses, our strong network of trade associations and our dynamic female entrepreneurs.

You know, sometimes when we talk about multiculturalism, it can be divisive. As the son of immigrants, I've never seen it that way. And as Minister for International Trade, I can tell you that our multicultural society constitutes an enormous competitive advantage in today's globalized economy.

Canadians have ties to every corner of the globe, and there are very few countries indeed that can look to Canada and not see their own reflection.

This provides an important edge over our competitors: people tend to trade with countries they feel comfortable with, whose languages they speak, and with cultures they understand.

Here in Vancouver, some of the strongest ties are with our neighbours in the Pacific Rim. This means that we already have a built-in network of contacts, family ties and associations from which we can build commercial relationships.

We have people who know the countries of the region, understand the way business is done there and appreciate the opportunities there.

Most countries simply don't have this head start. So while our multicultural asset is one we often overlook, it is not one we should ever underrate.

Another one of our strengths is our small and medium-sized businesses. They are among the most dynamic, creative and innovative enterprises in the country, and they are the backbone of our economy. The vast majority of jobs in Canada are created by smaller businesses.

You have probably heard it said that Canada is a trading nation — and that is certainly true: 40 percent of our GDP [gross domestic product] is generated by trade, and one in three jobs in this country depends on our ability to sell our goods and services abroad.

But while Canada is a trading nation, we are not a nation of traders. Relatively few companies are responsible for most of the exporting we do. In fact, 50 large companies account for about half of everything we export.

What I think we need to do is release the energy of smaller companies onto world markets. We need to get more of them exporting and looking abroad for opportunities. Right now, only about 10 percent of these companies are selling outside Canada.

By expanding the base to include more and more of our smaller companies, we can multiply our opportunities, create more jobs and build a more secure future for our children.

It was very encouraging to see that more than half the participants in last January's Team Canada trade mission were from small and medium-sized companies – up from about a third on previous missions. In fact, of the 73 business deals signed in Korea alone, more than two thirds were signed by these smaller players.

They recognized that opportunities did not exist just for the "big guys"; that the ability to be innovative and adapt quickly – which is characteristic of so many of these smaller companies – is a highly valued asset in international markets.

They came to realize that many large companies, both here and abroad, are looking to form partnerships with smaller companies in order to tap into their entrepreneurial talents or special skills.

They saw that there were markets they could penetrate, services they could provide, needs they could meet and that they didn't need a large corporate structure beneath them in order to do it.

To encourage more of these small and medium-sized companies to consider exporting, we have launched a number of programs and a whole range of services designed to meet their particular needs.

Let me mention just a few:

Together with Industry Canada, we have established International Trade Centres in cities across the country. There's one right here in Vancouver. These centres provide one-stop shopping, so small business people can find out, at one time and in one place, about all the trade services, including export counselling, that are available to them from all levels of government.

One of the most important – and encouraging – things for any would-be exporters to know is that someone, somewhere, wants to buy what they have to sell. We have created a huge database called WIN Exports, which helps to match what Canadians have to sell with what others around the world want to buy.

When you register your business with WIN Exports, our trade commissioners around the world can be on the lookout for

potential customers for you. They can act as "matchmakers" and put you in touch with the right people in the right markets.

We have also brought all our existing trade promotion services under one umbrella called "Team Canada Inc," which builds on the spirit and the success of the Team Canada trade missions. And we have established a senior business advisory group, to be chaired by Lynton Wilson of BCE, to advise Team Canada Inc on all aspects of trade promotion and policy.

One aspect of Team Canada Inc is the creation of "ExportSource." This is a new Internet site that contains all the information small and medium-sized businesses could want on exporting. No more running from department to department – just a click of a button, seven days a week, 24 hours a day.

We are also changing how our trade commissioners are deployed. At the moment, only about half of them are working outside the country. We want to reassign those commissioners so that 70 percent of them are working outside Canada by 2006. By placing more of them on the ground, we will be able to maximize their effectiveness for small businesses.

Finally, we have created a special unit at the Department of Foreign Affairs and International Trade devoted exclusively to the export needs of small and medium-sized businesses. This reflects the importance we attach to this sector and demonstrates our commitment to helping it succeed.

These are just a few of a whole host of programs and services available to smaller businesses. The bottom line is that we want to be partners in your success, and we will bend over backwards to make sure that you get the help and support you need to take your product or service abroad.

Another one of Canada's hidden assets is our vast network of trade associations. These provide a vital link between governments and the private sector – a link that helps us help their members.

Some associations are grouped around common interests or particular industries. These associations are invaluable sources of information and provide a focal point for discussing different categories of issues.

Some associations are organized around cultural links, providing all of us with insights into the opportunities and obstacles in different regions of the world. These organizations are doing really impressive work to promote trade and investment with these various regions and are becoming an ever more important part of our international trade strategy.

We need to continue to redefine their role so that they are more closely allied with our businesses and embassies abroad.

And we need to expand the links among the groups themselves. In particular, more needs to be done to connect some of the larger trade associations, such as the Alliance of Manufacturers and Exporters, with the smaller ethnic business associations. My department stands ready to facilitate these linkages in any way we can.

By joining together as partners, we can achieve far more than we could alone.

The last "hidden asset" is certainly not the least: Canada's women entrepreneurs. You know, Charlotte Whitton, the former mayor of Ottawa, said something once that I've always remembered. She said, "For a woman to get half as much credit as a man, she has to work twice as hard and be twice as smart." "Fortunately," she added, "that isn't difficult."

We still have a long way to go to fully engage our female business leaders, but we are making progress and realizing the benefits.

One third of Canadian firms are now owned or operated by women. These companies are providing jobs for nearly two million Canadians. In fact, women CEOs are creating jobs at a rate four times the national average. This is a track record we cannot ignore because it is bringing benefits we cannot forgo.

The success rate of women entrepreneurs is nearly twice that of men — strong evidence that Charlotte Whitton was right all along!

Nor is this boom in women-led firms restricted to Canada. In Southeast Asia, women will soon constitute half of all entrepreneurs.

So we simply must do a better job of providing women entrepreneurs with the tools they need for export success. Tools such as access to capital, technology, information and markets. Women-run businesses also have unique needs, such as better daycare facilities for single-mother entrepreneurs.

This is not just a matter of fairness. I believe it is a matter of survival. In an increasingly competitive and challenging world, no nation can hope to realize its full potential if it denies itself the brain power and the entrepreneurial talent of half its population.

As Canada pursues the goal of doubling the number of companies exporting by the year 2000, women entrepreneurs must play an

increasingly prominent role. In fact, they will be a key to our success.

Just last week it was my privilege to lead the first Canadian Businesswomen's International Trade Mission to Washington, D.C. This initiative involved more than 120 women from across Canada. Some of them are leading companies that are just starting to think about exporting, while others are already successfully exporting.

This was a wonderful opportunity to develop business opportunities, create networks and make contacts with key government officials.

This four-day mission not only helped women reach their export objectives, but it also helped to heighten awareness of their importance to the Canadian economy.

Even more, the mission showed that women entrepreneurs, having helped build their families and their communities, can also play a unique role in promoting national unity through their network of business contacts across the country. This is an impressive reality that we should all support and promote.

As we embark on the task of making women entrepreneurs true partners in expanding trade around the world, we know that there will be challenges to overcome and attitudes to be changed.

But overcome them we must and overcome them we will.

I began by describing Canada's multicultural society, small and medium-sized businesses, trade associations and female entrepreneurs as "hidden assets." Perhaps they should more appropriately be called "secret weapons" in the contest for global markets!

In the months that lie ahead, they will continue to break down old barriers and open up new opportunities. They will continue to be dynamic components of our international trade picture. And they will continue to reach out to old friends and new customers around the globe.

Ten years ago, the idea of Canada being an international trading powerhouse was unimaginable. Today, it is unstoppable. But there are more markets to be won, more companies to involve, more women to include. I believe that with the assets we have, our future will be brighter than we can imagine. Let us develop those assets wisely and let us build that future together.

Thank you.

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Statement

97/55

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI,
MINISTER FOR INTERNATIONAL TRADE,
TO THE BREAKFAST FOR APEC SPONSORS

VANCOUVER, British Columbia
November 21, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Minister Lee Yock Suan, Secretary of State Chan, Distinguished Guests, Ladies and Gentlemen,

Let me begin by welcoming all of our guests to Vancouver and to Canada. You have come to one of the world's most beautiful cities, and I hope you'll have the chance to see more of it over the course of the next few days.

I want to thank Arthur Stanley of Federal Express for acting as our emcee this morning. Who better to keep things moving along on time than somebody from Federal Express? Although I think you went a bit far, Arthur, when you reminded me that I absolutely, positively have to be finished in eight minutes!

This week, we are celebrating the progress APEC has made in just eight short years and taking stock of where we must go from here. To be sure, there are challenges ahead, but there are also wonderful opportunities – and Canada intends to reap its share of those opportunities.

This morning, I would like to speak for just a few moments on how we have been preparing ourselves to compete, not only in APEC, but around the world.

Our priority, since coming to office in 1993, has been to create the conditions that would allow the private sector to do what it does best – create jobs and stimulate growth.

Part of that involved getting our economic house in order – and Canadians have been remarkably successful in bringing the deficit down from about \$42 billion to the point where economists are now actually talking about a balanced budget.

Success on the deficit front allowed interest rates to fall to 30-year lows and inflation to remain in check at just under 2 percent.

Creating the right conditions also meant making strategic investments in the future. And that includes investing in our young people and in technology.

Through scholarship and internship programs, through changes to student loan programs, and through the innovation fund announced in our last federal budget, we are equipping our young people with the skills they need for jobs in a knowledge-based economy.

And it meant making international trade a cornerstone of our economic policy. Just listen to the facts:

- trade accounts for 40 percent of our entire GDP [gross domestic product];
- one in three jobs in this country is dependent upon trade;
- our trade surplus hit a record level of \$41 billion last year, up from \$6 billion in 1992.

Canadians have recognized that we have far more to gain from globalization than we have to fear from it. Indeed, we have embraced globalization and demonstrated ourselves to be formidable players on the international scene. So much so, that a recent *Time* magazine cover story touted Canada as an "Exporting Superhero."

The key to our success in the past, and to the possibilities for our future, is our commitment to freer trade.

Canada's economic renaissance has been accompanied by an expanded and transformed national identity. Our deep ties across the Atlantic, our more recent recognition of our Pacific identity, and our undeniable partnership in the Americas have given Canada a unique connection to these three economic regions that will be so important in the future.

Beyond the NAFTA and our free trade agreements with Chile and Israel, we have been strong supporters of liberalized trade through the World Trade Organization [WTO], the Free Trade Area of the Americas and a strengthened APEC.

Our commitment to APEC is profound and logical: Asia is our neighbour; it represents a huge and growing market for what we produce and we have many natural ties to that region, through investment, family connections and trade associations.

APEC has also demonstrated itself to be a very effective advocate for trade liberalization. For the past two years, it is APEC that has galvanized efforts to accelerate this pace, creating an incentive for others to follow. I'm thinking particularly of the momentum created on information technology that led to a significant agreement in this area at the WTO earlier this year.

I'm also thinking of the steps I am hopeful we will take later today and tomorrow in agreeing on certain sectors where we can collectively begin work to eliminate tariff and non-tariff barriers.

We must also move forward on facilitating trade on the ground through the streamlining of customs procedures and harmonizing of standards.

Our progress must be substantial if APEC is to continue to be seen as a credible and visionary organization.

There is an old saying that "it's not the mountains ahead that wear me out, it's the grain of sand in my shoe." And as any business person will tell you, it is these informal barriers, these grains of sand, that often cause the most aggravation and constitute the greatest impediments.

So we're working hard on these, and real progress is being made.

One of the strengths of APEC is its partnership with the private sector. No other major trade body has an equivalent of our APEC Business Advisory Council, and no other trade body places such a premium on consultations with the private sector.

APEC understood from the outset that no one knows the impediments to trade or to the free flow of goods and services better than the people on the ground. They are the ones dealing with bureaucracies. They are the ones struggling to obtain information and access to capital. They are the ones who are pounding the pavement, trying to get a foot in the door.

So it only makes sense to enlist their experience and expertise as we try to expand the benefits of freer trade in Asia Pacific and around the globe.

The government is also working with small and medium-sized enterprises [SMEs] to assist them with their special requirements and to encourage them to enter the world of exporting.

For example, Northstar Trade Finance is a partnership between the Export Development Corporation, the Bank of Montreal and the Royal Bank, which helps small and medium-sized business with their financing and insuring needs.

We are also encouraging the participation of small businesses in our Team Canada trade missions abroad. More than half of the participants in last January's Team Canada trade mission to Southeast Asia were from small and medium-sized companies – up from about a third on previous missions.

The bottom line is that we need SMEs to release their energy and dynamism onto the world stage. And we will do whatever we can to help them make that transition from domestic to international markets.

As we celebrate our involvement in APEC this week, we also recognize the very real benefits our association has brought us. In particular, today we applaud two important achievements.

The first is an agreement to be signed by our export credit agencies on information exchange and financing co-operation. I am pleased to say that Canada's Export Development Corporation has been instrumental in bringing that agreement to fruition. Expanded export financing in the region will boost the trade we are trying to facilitate through the APEC process.

The second achievement involves our honoured guest, Mr. Lee Yock Suan, and the Government of Singapore. Following this breakfast, he and I will sign an Information and Communications Technology

Agreement that will serve as an umbrella for a whole range of activities, including the creation of a broadband link between Singapore and Canada for research and development. We expect over \$150 million in new trade deals to flow from this unique agreement.

It will accelerate the movement of information and commerce throughout the region, and I am hopeful that similar agreements with other countries will be reached in the very near future.

As I close, let me share a story about a small boy who was struggling to move a heavy stone. He couldn't budge it. His father, who was watching, asked the boy if he was using all of his strength. The boy replied that he was. "No, you're not," the father replied. "You haven't yet asked me to help you."

Surely there is a lesson there for all of us. By combining our efforts we can move the largest impediments and overcome the greatest obstacles. APEC provides just such a forum for co-operative action, and I believe that in the years ahead we will surprise ourselves by the mountains we will move.

Thank you.

Statement

97/56

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE DAVID KILGOUR,
SECRETARY OF STATE (LATIN AMERICA AND AFRICA),
AT A WELCOME LUNCHEON FOR LISA BOBBIE SCHREIBER HUGHES,
U.S. CONSUL GENERAL IN CALGARY

CALGARY, Alberta
November 28, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



It is a pleasure to speak at this luncheon to welcome the newly appointed Consul General of the United States of America, Lisa Bobbie Schreiber Hughes.

Ms. Schreiber Hughes has served in several posts in Latin America and the Caribbean during her most impressive career. It is a region that is very much on my mind at present, and I hope to compare a number of notes with our guest of honour. I have just returned from a brief visit to Peru and Colombia, and I am busy taking Spanish lessons. My teacher assures me, after 12 or 13 lessons, that with just one more lesson, I'll be fluent. For now, though, I'll have to speak in English.

The United States has a much longer history of ties with Latin America. Canada has long had close ties with the Caribbean, but our involvement in Latin America has been more recent. In recent years, even the United States has had to become much more engaged with its neighbours to the south – the setback in Congress on fast-track notwithstanding.

The Mexican writer Carlos Fuentes has said: "Every North American, before this century is over, will find that he or she has a personal frontier with Latin America. This is a living frontier, which can be nourished by information but, above all, by knowledge, by understanding, by the pursuit of enlightened self interest on both parts."

Fuentes meant "North American" in the sense that some Latin Americans still use the term – to refer to citizens of the United States. But today it is equally true that no Canadian is unaffected by our relationship with Latin America.

Latin America and Canada

I am excited that my area of responsibility deals with some of the most dynamic areas in Canada's foreign relations. In 1995, the government identified Latin America as a region in which our geographic location gives us an important advantage.

For many years, when Canadians looked southward, we tended not to see beyond the United States. Our entry into the Organization of American States [OAS] in 1990 was a clear political signal of our desire to play a more active role in hemispheric issues. We hoped that our involvement in the OAS would lead to a revitalization of regional intergovernmental institutions.

In the early 1990s, Canada negotiated the North American Free Trade Agreement [NAFTA] with the United States and Mexico. It was the first regional trade agreement in the world involving so-called developing and developed countries. During the same period, we extended our resident diplomatic representation to most countries of the region.

The Miami Summit

In 1994, Prime Minister Chrétien participated in the Miami Summit of the Americas, where leaders of 34 democratically elected countries agreed on a partnership for development and prosperity. This partnership would be based on a commitment to democratic practices, economic integration and social justice.

In April next year, the process will continue with the Summit of the Americas in Santiago, Chile. These talks aim to lay the groundwork for a Free Trade Area of the Americas [FTAA] by 2005. They will also address other important social development issues, including all-important education.

Meanwhile, Canada has been pursuing closer trading relations throughout the region. This year, Canada and Chile concluded a bilateral free trade agreement. This was an expression of Canada's desire to continue with a trading agenda at a time when some in the U.S. Congress are reluctant to give fast-track approval for negotiations to include Chile in the NAFTA.

Canada is also talking trade with other regional groupings, such as MERCOSUR, the Andean Pact, CARICOM, and the Central American Common Market. We look forward to trade partnerships with members of these groups as we move toward hemispheric free trade.

MERCOSUR

Let me draw your attention to Canada's efforts to develop enhanced trading relations with MERCOSUR, which in a trade pact includes Argentina, Brazil, Uruguay and Paraguay. Canadians exported nearly \$1.7 billion to these four countries in 1996, and absorbed imports of \$1.4 billion. The Canadian government is trying to lay a groundwork that will allow more and smoother trading between MERCOSUR and Canada.

In January, a Team Canada trade mission will visit Mexico, Argentina, Brazil and Chile. It will be patterned on previous successful Team Canada missions to Asia, which have brought together our Prime Minister and Premiers in promoting economic growth for all of us.

Commonwealth Caribbean

I might note that although my formal title is Secretary of State (Latin America and Africa), I am also responsible for the Caribbean, including the Commonwealth Caribbean.

Although the Caribbean is geographically close to Latin America, our trading relationships with the two regions have been quite different. Canada has enjoyed a long historic relationship with the Commonwealth Caribbean. We share a common language, and

common political and legal traditions, based on our ties with Britain. The Bank of Nova Scotia had a branch in the Caribbean before it was in Toronto. We don't need to talk about the rum trade between Canada and the Caribbean. We have sometimes been inclined to take the Caribbean peoples for granted. This is a serious mistake. The countries of the Commonwealth Caribbean are among our closest friends on the international stage. In our recent bid for Calgary 2005, 11 of the 25 votes we got were from CARICOM states.

African Renaissance

Africa's emergence as a stable, prosperous continent is important to every other continent. The Canadian bond with Africa has continued to build since the days of John Diefenbaker and Mike Pearson. Both leaders saw what Africa means to the world and what it is capable of contributing. I am an Africa optimist.

The end of apartheid in South Africa and the spread of democracy in other African countries gives the world increasing hope that Africa's potential will finally be realized. We Canadians must continue to lend assistance.

In September, I visited Uganda, Rwanda and Kenya, and saw how central Africa is changing and our stereotypes are obsolete. In Kampala, I learned that fully 2000 companies have located operations in Uganda in recent years. Similarly, in Rwanda, close observers say that there has been real economic progress for some – although certainly not all – since the catastrophes of 1994, and the government in office there is genuinely seeking reconciliation among its constituent communities.

In Kenya, despite large problems, there appears to be a national stepping back from the abyss. Our delegation arrived shortly after a multiparty committee of Members of Parliament had agreed on a comprehensive package of reforms, which now appears to have been enacted fully before the December elections. In short, there is cause for optimism in all three nations.

Canadian Foreign Policy

I would argue that Canada's foreign policy in the 1990s has not only been for the most part intelligent; it has often been exciting, particularly in recent years.

Look at Canada's campaign to ban anti-personnel landmines. It is perhaps the most obvious example of this country taking a lead on an issue that could have been ignored because:

- (a) it wasn't popular in military circles; and
- (b) it doesn't personally concern many important people around the world.

Important people don't spend a lot of time walking through fields and down paths that are likely to explode under them at any given moment. Millions of poor civilians do.

It is an important issue. It tells ordinary people that they matter. There are an estimated 100 million landmines lurking around the world, waiting to blow children to bits - for no other reason than that these kids took one false step on land that should sustain them.

As you know, Canada has played a significant role in the grass-roots activism that should lead us - must lead us - to a meaningful international accord on the banning of anti-personnel mines. I was pleased to see that Americans too were recognized in this campaign, with the recent award of the Nobel Peace Prize to Jody Williams and the International Campaign to Ban Land Mines.

Next week, approximately 100 countries are expected to sign a treaty toward this end in Ottawa, as one more step in what has become known as the "Ottawa Process." Canadians should be proud.

The fight to obliterate anti-personnel landmines is just one component of Foreign Affairs Minister Lloyd Axworthy's commitment to the concept of sustainable human security, which he has twice advanced in formal presentations to the United Nations General Assembly. A next important project will be efforts to limit the global trade in small arms.

Human Rights

Canada has also found a niche for itself in the area of human rights. Our approach is evolutionary, not coercive. Even if we wanted to force change, we have to face the fact that Canada simply does not have the economic leverage or the international clout to do so. We can, however, work from within to support non-governmental organizations [NGOs] and to develop a space in which civil society can grow.

Support for improvements in human rights can take different avenues. In countries that are prepared to engage with us on even a limited scale, such as Cuba, we will work for evolutionary change. For regimes that are unwilling to enter into any sort of dialogue or exchange whatsoever, such as Burma or Nigeria, we work for broader international action to press those regimes to change their ways.

Next year we'll all celebrate the 50th anniversary of the Universal Declaration of Human Rights. Canada will do its utmost during the year to convince governments everywhere that the suppression of human rights can only lead to the kind of bitterness that creates political uprisings.

To be certain, we have work to do in our own backyard on issues of the environment and human rights – issues that are so important internationally. But while we are working on our own problems, we have to be working on the world's problems too. Because when the circle is closed, they are our problems too.

Let me give the final word to Octavio Paz, the Mexican diplomat and poet. In his reflections on contemporary history, *One Earth, Four or Five Worlds*, Paz notes that all great nations have prudence, which he defines as wisdom and integrity, boldness and moderation, discernment and persistence in undertakings. The aim of our country, both domestically and internationally, should be this notion of prudence.

Thank you.

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Statement

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AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY,
MINISTER OF FOREIGN AFFAIRS,
TO THE OPENING OF THE
MINE ACTION FORUM

OTTAWA, Ontario
December 2, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Ladies and Gentlemen: Welcome to Ottawa.

Many of you came to Ottawa last October for our previous landmines conference. Since then, it has been a year of frantic activity and full court press diplomacy. From Maputo to Tokyo, Vienna to Ashkabad, Kempton Park to Bonn, Manila to New Delhi, Saan'a to Brussels and Sydney to Oslo — the world's governments and peoples have been engaged in an extraordinary global effort to ban anti-personnel mines. And we have succeeded.

When I issued the challenge, in this room, just over a year ago to return to Ottawa to sign a treaty banning landmines, I confess to being unsure of the results, but thought that it was a risk worth taking. I thought there was a real desire and real possibility that a treaty could be negotiated, but frankly I did not dare hope for such an overwhelming response. But the risk was worth taking — the results are here for all to see. Over 100 states will sign the treaty tomorrow — more opening signatures than almost any other treaty ever negotiated. And they will be signing a strong treaty, with no exceptions or loopholes. This treaty is a testament to the political will and determination that has inspired this process from the very beginning.

I know that many of you have been working toward this goal for a long time. Your energy, commitment and courage are behind this unprecedented success: that of the International Campaign to Ban Landmines, led by Jody Williams, and the dozens of national campaigns; that of the group of committed countries that drove the process, and drafted and negotiated the treaty; that of the humanitarian agencies and of landmine survivors around the world, who live daily with the tragedy of anti-personnel mines.

Throughout this week, we will have opportunity to celebrate and applaud but also to mourn and remember the grief, pain and suffering of so many. Before we plunge into the next three days of activity, though, I would like to take a few steps back, and reflect briefly on the wider context and implications of our work together.

The treaty is a great achievement in and of itself. But it also has a broader significance. To understand this we should ask ourselves: Why did it work? How can we harness the new forces and tools of diplomacy, which brought us this far, to ensure that the words of the treaty become a reality? What broader lessons can be drawn from our experience over the past year and applied to building human security in the next century?

I see the landmines campaign as a defining moment in three respects:

- first, international public opinion has determined that there are limits to human behaviour, even on the battlefield;

- second, we can work in new ways — inside and outside existing international bodies — and make unprecedented progress; and
- third, a full partnership between states and non-governmental organizations can produce results that neither side can achieve alone.

None of this would have been possible 10 or even 5 years ago. Until recently, there was little space for individuals or non-governmental groups in international diplomacy, particularly in the realm of traditional security interests. As a result, the human cost of landmines and of other threats to individual security were largely invisible to the international community.

But in the past few years, international organizations and meetings have opened up to a range of non-state actors. State sovereignty has become more diffuse and no longer the sole domain of governments. Civil society has demanded and earned a place at the table. Democracies are in the ascendancy. Globalization and a revolution in information technology have resulted in a "global commons," in which ideas move across borders at unprecedented rates. People power has moved onto the international stage.

And as these new voices were increasingly heard, they sent one very clear message: that there is no public tolerance for weapons of war that, by their very nature, cause massive civilian casualties. They told us that humanitarian values must take precedence over military interests. Only two weeks ago, I met with Canadian schoolchildren who, as part of UNICEF's [United Nations Children's Fund] mine awareness work, drafted a children's treaty. This bill of rights for children in mine-affected countries stated in the clearest possible terms: children have the right to play and not get hurt.

The implications of these changes for our understanding of international security, and of war itself, are deeply significant. International conflict is not about to disappear — not yet. But with the end of the Cold War, the threat of major conflicts between states has lessened. Military spending in some states has dropped radically, as have global military sales. Increasingly, danger lies in internal conflicts within states. Threats to human security — human rights abuses, inter-ethnic tension, poverty, environmental degradation and terrorism — have grown, fuelling recurring cycles of violence. Civilians are their primary victims.

In these circumstances, to safeguard individual citizens, it is no longer enough to ensure the security of the nation. Security is found in the conditions of daily life — in food, shelter, arable land, health, employment, political franchise and safety of the person — rather than primarily in the military strength of the state. This requires us to shift our focus:

- from ensuring peace across state borders to building peace within states;
- from foreign policy decisions driven by military security interests to ones driven by human values; and
- from geo-politics to geo-governance.

The global nature of threats to human security requires a global response. Neither states acting alone nor even the combined efforts of a few large powers are sufficient. New alliances are needed, bringing together states, large and small, from all regions of the world, working in partnership with individuals and organizations from all sectors of society.

Let me be clear: I am not advocating such partnerships as some sort of "feel good" diplomacy. I am advocating them because they work. It is "good" diplomacy. The landmines campaign worked because it brought together not only mine-producing and mine-affected states, but also humanitarian and non-governmental organizations [NGOs] active in the field and landmine survivors. It worked because new synergies were created. This was not simply a question of consulting NGOs or seeking their views. We have moved well beyond that. What I am talking about is a full working partnership between governments and civil groups, both of which bring their comparative advantages and particular capacities to the process.

Since last October, the two have worked in tandem: NGOs mobilizing public opinion, and governments mobilizing political will. I speak for my own government, and others as well, to tell you that for our part we have used all the tools of international diplomacy — bilateral and multilateral meetings and negotiations, démarche by ambassadors, phone calls by the Prime Minister to his counterparts — to produce the text of the convention and to build support for it within the community of nations. I want to salute the tremendous effort undertaken by all those in this room, and by our own officials and diplomats, in bringing so many of us together in Ottawa.

For all these reasons, what has become known as the Ottawa Process is, I believe, symbolic of a profound and lasting change in the conduct of international relations. But of course it also has an immediate, very concrete effect: the signing of a convention on the prohibition of the use, stockpiling, production and transfer of anti-personnel mines and their destruction.

We deserve to take a moment to celebrate our shared success. The signing of this historic treaty, at the very end of the century, is this generation's pledge to the future — a bridge across the millennial divide.

But our celebration must be tinged with some sadness, and our rejoicing accompanied by a renewed sense of responsibility. We

must remember the victims, including those brave individuals who lost their lives clearing mines. We must remember, too, that there are still millions of anti-personnel mines in the ground, taking limbs and lives and land as we speak.

The fact is, the ban convention will be meaningless unless we implement it — unless we use it as a point of departure and commit ourselves once again to work together to eliminate all anti-personnel mines. That is what this forum — the Mine Action Forum — is all about: implementing the convention; eliminating anti-personnel mines; and helping victims reclaim their lives.

The challenges are clear: the universalization and entry into force of the treaty; the destruction of stockpiles; the clearing of mined areas; and the care, rehabilitation and reintegration of mine victims — redeveloping countries paralyzed by the silent killers in the ground.

Over the next two days more than 100 countries from all regions of the world will sign the convention. This is an extraordinary start. But we still have to work to make the convention truly universal.

While we will continue to encourage non-signatories to accede to the convention, they are not outsiders. Many non-signatories have national prohibitions in place on the export or use of landmines, and are committed to working on de-mining and victim assistance. In recent weeks, we have been encouraging non-signatories to come to Ottawa as observers. We hope that, by attending the round tables, they will be drawn into the process. This is yet another example of the open, transparent spirit that has characterized this process from the start.

Forty countries must ratify the convention for it to enter into force and for its words to become reality. Canada's Prime Minister will present Canada's instrument of ratification to the Secretary-General of the UN [United Nations] tomorrow. I understand that several other countries are also in a position to ratify now. Our goal should be to get the full 40 ratifications as soon as possible.

How about a year from now? Does that sound familiar?

After the convention enters into force, we have four years to destroy stockpiles. This can be done. But it will require sharing of information, expertise and technology.

We have 10 years after entry into force to clear mined areas. Until then, they must be surveyed, marked, monitored, mapped and fenced off. Some of the worst-affected countries are the least able to cope with the slow and costly task of mine clearance. At the same time, some mine-affected countries have invaluable

experience to offer, based on their own extraordinary efforts to clear their lands. To meet the 10-year deadline, we will have to co-operate and co-ordinate our efforts in global mine awareness and de-mining.

Once we have signed the convention, the true humanitarian challenge is to ensure that mine victims get not only immediate medical assistance, but also help in reintegrating into their societies. Ensuring that victims can lead meaningful, productive lives within their communities, in spite of their suffering and loss — this was the human aspect of the landmines crisis that the late Princess Diana brought to the attention of the world. It is the challenge that the International Committee of the Red Cross, Handicap International, the Landmines Survivors Network and others have taken up, and which we all must support.

As you can see, the challenges we face are great. To tackle them effectively requires significant financial resources. We welcome the commitments already made. We look for more. We will be working with other countries, foundations and the private sector to secure these additional resources, in the knowledge that money spent remedying the effects of anti-personnel mines represents an investment in sustainable development — a boost to human improvement. In addition to resources, we will need a comprehensive program of action, to ensure that global efforts are co-ordinated, cohesive and complementary.

The Mine Action Forum is designed so that you can discuss the issues, raise the questions that need to be asked, and perhaps answer some of them. But our aim is not to resolve all these issues here. It is to expose ourselves to the full range of questions; to identify areas that require further work; and to put in place an initial calendar of activities to help us work through the problems and find practical solutions.

Among the questions I would put to you for consideration are:

- How can we best assist and encourage other countries to sign and, once they have signed, to ratify the convention? What role can regional organizations play?
- What is the best way to collect and collate data in the field, to better understand the magnitude of the tasks before us?
- What are the most effective ways of surveying, marking, mapping and clearing mines, and how can we share best practices?
- How can we best ensure that survivors receive the assistance that they require to reintegrate into their societies?
- How can we work in new, co-operative ways to ensure compliance with the convention?
- Finally, how do we spread the message and help us keep the agenda moving?

We have designed this Forum, and its outcomes, to recreate one of the greatest strengths of the process to date: rapid sharing of information and experience by the most efficient and open means. As the Forum unfolds, we will try to capture its essence in a series of documents, which will be ready for you to take home with you on December 4.

These will not be negotiated documents of the sort that consume so much effort at many multilateral meetings. They will be working tools based on our discussions over the next three days: a summary report of round table discussions; a resource list of participants and organizations, designed as a detailed tool for networking; and, most importantly, an Agenda for Mine Action.

By this spring, our own Centre on Foreign Policy Development will be preparing a publication on the "Landmine Campaign — Lessons Learned."

The Agenda is designed as a road map, gathering together the initiatives and specific action items that participants intend to undertake in the coming months. It will act as a comprehensive reference guide to international efforts in all aspects of the anti-personnel mine issue. We welcome your contributions to the Agenda.

The convention that will be opened for signature tomorrow gives us a framework and a catalyst for future action. But the work we do here in Ottawa is just the first step. The Agenda for Mine Action will provide the international community with a sense of direction and a means to co-ordinate our ongoing efforts.

In setting the Agenda for Mine Action, we must combine creativity, practicality and commitment. We must maintain the same sense of purpose and coherence in the next phase of our work that informed the first. I commit Canada to working in this open, determined spirit in the implementation of the convention. I call on all who are present to make their contribution, whatever their particular strengths — expertise, funding or skills in networking and mobilization — as we work together to end the scourge of landmines.

Under the convention, we have taken on a weighty responsibility: "to put an end to the suffering and casualties caused by anti-personnel mines" throughout the world. We have taken on a commitment through the treaty: a solemn, binding obligation to deal definitively with the anti-personnel mine crisis. We have given our word. We must now work together to meet our new obligations.

As if that were not enough, by completing this urgent humanitarian task, we are also, I believe, breaking a new path for the conduct of international relations. What is true for

anti-personnel mines must hold true for all weapons of war: our citizens will no longer accept weapons that target civilians and wreak havoc in the daily lives of individuals.

In my home province of Manitoba, the Cree Indians have a saying: when a traveller asks, "Where is the road?", the answer is, "We must build the road together." We here in Ottawa are breaking new paths. You have already come a long way. Over the next three days, we must take the first steps in the next stage of our voyage together.

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Statement

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CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI,
MINISTER FOR INTERNATIONAL TRADE,
TO THE CANADA-CHINA BUSINESS COUNCIL

TORONTO, Ontario
November 27, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Let me first of all say how honoured we are to have Chairman Wang here today for these important meetings. I am very happy to be here, and we are delighted that President Jiang is here on a state visit.

It is a real pleasure to see so many old friends. Jim Kelleher and I used to stand on opposite sides of the House of Commons, but today we stand side by side, and I have to tell you, Jim, I much prefer it this way.

I note from your program that I am the Canadian keynote speaker. I always considered it to be a great honour to be a keynote speaker, until it was pointed out to me that the keynote is the lowest note on the musical scale!

I will make every effort not to make these remarks the low point of your meetings!

Let me begin by thanking the Canada-China Business Council for the tremendous work you are doing to promote trade and investment between our two countries. Few nations hold the potential or the promise for Canadian businesses that China does, and through your efforts, and those of others, we are demonstrating our commitment to realize that potential.

Whether it was organizing the Prime Minister's successful Team Canada visit in 1994, or playing a key role in Premier Bouchard's recent "Mission Quebec," the Council has helped to hold the lantern and light the way for many of us.

Today, I would like to speak briefly about the future of the Canada-China trade relationship – and about the role you and others can play in developing that relationship.

Finding the APEC Door

In some ways, the theme you have chosen for this annual meeting – Finding the Right Door – could very aptly be applied to the APEC [Asia-Pacific Economic Co-operation] meeting that concluded earlier this week in Vancouver.

Because I believe that when the history of APEC is written, despite the attention on the currency issues and the altercation on the university campus, the Vancouver meeting will be remembered as the moment when APEC came of age. In regard to trade liberalization, it will be remembered as the time when we found the right door.

In 1962, in introducing the Trade Expansion Act, President Kennedy reminded Americans – and the world – that "in the life of every nation . . . there comes a time when [it] stands at the crossroads; when it can either shrink from the future and retire into its shell, or move ahead, asserting its will and its faith in an uncertain sea."

Over the past few weeks, Asia has faced an uncertain sea. And in those circumstances, it was perhaps understandable that some would suggest seeking refuge in ports of convenience, that we retreat into protectionist harbours to wait out the storm.

But APEC had the wisdom to understand the folly of that counsel. It knew that progress was never made by adhering to the certain and the safe. It understood that today, more than ever, we must have the courage to sail those "uncertain seas."

So rather than retreat, APEC chose to advance. Rather than look inward, we chose to look outward. A significant and balanced package of 15 sectors was agreed to by trade ministers, and endorsed by leaders. In addition, we agreed that nine of these sectors be accelerated so that tariffs would start dropping by January 1999. Several of these were of particular importance to Canada — fish and fish products, forestry, energy and telecommunications.

We sought more openness in our economies, our trade systems and our societies than we had ever done before. And I am proud to say that we set ourselves on a path from which there will be no turning.

And I can also tell you that the progress we made over the past few days would never have occurred without the help of Minister Wu Yi and her Chinese delegation.

This is hardly surprising. Canada knows that China, on trade, is committed to building bridges and removing walls, to opening doors and opportunities, to participating fully in the benefits of our global economy.

Canada-China

Today, Canada and China share many common goals. We have, for example, worked together to promote APEC's focus on building the basic infrastructure that is so crucial to economic development in that region.

We share common concerns about the environment, and as a former Environment Minister, I am delighted that China will be establishing an APEC Environmental Research Centre in Beijing.

And, of course, China has offered to host APEC in 2001 — a clear demonstration of its commitment to APEC and its goals.

Canada applauds China's efforts to liberalize its own trade regime and we wish it well in that endeavour. We know that this year alone, China has lowered tariffs on some 4000 items and agreed to abandon agricultural export subsidies.

These efforts have not been easy – change rarely is – but they are necessary if China is to play the role it must in the future of the international trading system.

For all of these reasons, and more, Canada stands as a strong supporter of China's accession to the WTO [World Trade Organization]. We want to ensure that China enters the WTO under conditions of mutual benefit – conditions that maintain the dynamic nature of its economy and maintain the strength of the WTO. I personally look forward to the day that China crosses the threshold and enters the WTO.

All of us will benefit from China's eventual membership in the WTO. It will bring our commercial ties under WTO disciplines. It will promote transparency, create predictability and provide objective resolution of trade disputes. It will improve Canada's ability to compete in China. And within China itself, it will help to further promote the rule of law.

Future Trade Relationship

Now, I do not need to remind this association of the historic ties between our two countries. History has made us friends and commerce has made us partners. In fact, China now stands as Canada's third-largest trading partner.

But strong as our economic ties may be, we know that we are still only scratching the surface – that a vast potential remains unrealized.

Our task is to turn those opportunities into reality. Let me touch on four ways that I think we can do that.

First, we have to strengthen the role of trade and business associations. Organizations such as yours have already done a great deal to increase trade between China and Canada from just over \$161 million in 1970 to over \$10 billion today.

The expertise you bring, the experience you have, will be invaluable as we go forward. Your members are on the ground. They know the players, they know the culture, they know the language. They know how to find – and open – the right doors.

By joining together as partners, we can achieve far more than we ever could alone.

So I invite you to tell me how the government and the private sector can work together to cultivate trade ties. This is not a rhetorical invitation. When I became Trade Minister, I made it a departmental priority to energize the role played by Canadian associations, councils and chambers on the trade front. How we can make these organizations more helpful to Canadian businesses

pursuing foreign markets. And how we can make them work more effectively with our ambassadors and Trade Commissioners, particularly in markets as distinctive as China.

Trade and business associations also help to establish the crucial personal connections that are so necessary for doing business in Asia. Fax to fax will never replace face to face, and by developing partnerships and personal relationships, these associations perform an invaluable service.

Second, we need to make greater use of our Trade Commissioners. I always think of these Commissioners as being akin to advance scouts, who know the terrain and can help to guide our companies onto the right paths.

Canada currently has 13 Trade Commissioners in three missions in China, and I am committed to placing more Trade Commissioners in the field. At present, we have 50 percent of our Trade Commissioners working in Canada and 50 percent outside Canada. I have recently announced that we will be moving 70 percent of Trade Commissioners around the globe where they are needed the most.

The number of Canadian missions in China will also increase. We will be opening a consulate in Chongqing next year to assist Canadian companies in Chongqing and Sichuan Province — a combined market of 120 million people. We will also be upgrading our trade office in Guangzhou to a consulate general later this year.

And we were delighted that President Jiang announced earlier this week that China intends to open a consulate in Calgary. Expanding this two-way highway and expanding the resource of our Trade Commissioners corps will help us fully realize our potential in China.

Third, we need to target and be focussed on the right doors. Accordingly, I am releasing today our China and Hong Kong Trade Action Plan for 1998. This plan is another important step in Team Canada's forward-looking approach to strengthening our economic partnership with China.

It identifies priority sectors and emerging markets that play to the strengths of Canadian exporters. The plan also underscores our commitment to working with small and medium-sized businesses that are ready to export, and to help reach our goal of doubling the number of active exporters by the year 2000. We will also continue to seek better access for our companies and to work toward a foreign investment protection agreement.

This Action Plan opens the door — the right door — to the great potential of markets like the Yangtze Delta, a region that is experiencing a phenomenal rate of growth.

More than 193 million people live within a 500-kilometre radius of Shanghai – about the same distance as between Montreal and Toronto. And Mel Lastman thinks he's got his hands full with the mega-city!

But the opportunities are simply amazing. A study done for the World Bank indicates that this region will be making substantial investments in infrastructure over the next few years:

- nearly \$12 billion for 170 water treatment plants;
- more than \$5 billion for 166 wastewater treatment facilities;
- and then there are the 27 000 kilometres of roads to be built and the 3200 kilometres of rail lines to be constructed or upgraded.

The really exciting part is that Canada is a world leader in many of the areas of greatest need in the Yangtze Delta and throughout China. We are leaders in environmental technologies, in transportation infrastructure, in power generation, in information technologies and in communication.

And so, as my friend Senator Jack Austin would say, "inescapable opportunities" await us in China. But we need to be strategic and focussed in our approach.

Finally, the greatest asset we have in developing our trade relationship is our people. Our country's Chinese-Canadian population stands today at over one million. So when China looks to Canada, it can see reflections of its own culture.

Most countries simply don't have this head start. As Trade Minister, I can't tell you the competitive advantage that this represents. We have people who know China, understand the way business is done there, and appreciate the opportunities that exist within its markets. The family ties, cultural understanding and business acumen of our Chinese-Canadian communities do and must constitute one of the "right doors" you are talking about this week. We are working to broaden our people-to-people exchanges, and the creation of a Canada-China Parliamentary Association would be a concrete step to this end. Through this exporting and importing of values, we are building upon an open relationship that strengthens our commercial partnership.

So while our multinational asset is one we often overlook, it is not one we should ever underrate.

Conclusion

Closer co-operation with our trade and business associations, better use of Trade Commissioners, a dynamic Action Plan that targets our markets in China, and a clearer appreciation for and application of our multicultural society – these are some of the ways that can help Canada open the right doors to build stronger commercial ties with China.

As well, in order to build upon the momentum of our bilateral relationship and Canada's Year of Asia Pacific, I will be travelling to China with a business delegation in the spring of 1998. And I look forward to working with the Canada-China Business Council on this visit.

As I close, I am reminded of something I read recently about the bamboo plant. Our Chinese friends probably know more about bamboo than Canadians do. But the article said that when you plant bamboo, you don't see anything for several years. During that time, it is putting down a large, complex root system.

Finally, after about four years of sprouting nothing but a tiny shoot, the bamboo plant can grow by as much as 15 metres in a single year.

In many ways, I think Canada's trading relationship with China is like the bamboo plant. Those of you who have planted and cultivated this relationship over the years have already seen the first signs of its immense potential.

So let us be encouraged and take as our guide the Chinese notion of "guanxi" – the belief that the roots of a strong relationship take time and personal commitment. If we are patient and continue to nurture this relationship, I believe that it will grow stronger and more robust than we can imagine. So let us go forward, knowing that united there is little we cannot do and that great as our past progress has been, our greatest achievements are still to come.

Thank you.

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Statement

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CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE SERGIO MARCHI,
MINISTER FOR INTERNATIONAL TRADE,
TO THE
UNITED KINGDOM CHAMBER OF COMMERCE

LONDON, England
December 8, 1997



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President Bridgeman, Distinguished Guests, Ladies and Gentlemen:

I am delighted to be with you today and to visit this historic hotel. I am told that during the blitz, a bomb landed in the Strand, knocking the Savoy's piano player off of his stool. Noël Coward stepped in to play and sing the night away. Should a similar calamity befall us today, I understand that John Bridgeman stands ready to step in and take over as your speaker. So we have all the bases covered!

It was 500 years ago that an Italian working for England, Giovanni Caboto, sailed from Bristol to Canada. It is perhaps appropriate that, today, a Canadian trade minister of Italian descent should come to Britain to talk about rediscovering and re-energizing the Canada-Europe relationship.

Let me say at the outset that there is no truth to the rumour that I am in any way related to Caboto and that I am here today to collect his fee for services rendered!

But I am here to say that, while this year's Asia Pacific designation was important for Canada, and while we build on our relations with the United States and forge forward toward a Free Trade Area of the Americas, our roots with Europe run deep.

For me, these roots are personal and emotional.

Ties between Canada and Great Britain are also historical and deep. Many sons of your country left to become fathers of our Confederation. We have fought together in times of war and worked together in times of peace.

But if history has made us friends, commerce has made us partners. Britain is our third most important export market, after the United States and Japan. And its importance is rising: between 1993 and 1996, our exports to Britain grew by more than 40 percent.

And I haven't even mentioned trade in services, where Britain is our leading offshore export destination. Then there is tourism — more than 750 000 British tourists visit Canada each year, and over 600 000 Canadians head in this direction. So our trade relationship is very strong.

But we also know that much more can be done to ensure Canada's participation in the exciting new future that is emerging for Europe, and that, equally, Europe can invest in a Canada that is truly finding its place in the world. Today, I would like to touch briefly on three elements of our strategy:

- First, within a North American perspective, we want to promote Canada as the place for European investment;

- Second, we want to accelerate progress on the Canada-EU [European Union] Action Plan, and create stronger ties with our European partners;
- And, third, in collaboration with Europe, we want to continue to champion liberalized trade around the globe.

First, investment: I have come here today as a salesman for Canada — not only for trade, but for investment as well. The strongest economic links between us are being forged, not through trade or tourism, but through direct investments between our two countries.

Canadian companies have recognized Britain as a dynamic market and a natural gateway to Europe. In fact, Canadian businesses are now investing more in Britain than British companies are investing in Canada.

While it might be said that this demonstrates how international Canadian businesses are in their outlook, it could also be argued that perhaps we need to do a better job of explaining Canada's advantages.

Let me offer you some sound reasons for looking to Canada.

First of all, you should know that we have undergone something of an economic renaissance in recent years. Four years ago, our government inherited a budget deficit of about \$42 billion. Today, that deficit has been almost eliminated, and some economists are actually talking about a budget surplus by 1998.

This achievement has not been easy. It has required tough measures, but Canadians are now reaping the benefits: interest rates at 40-year lows, inflation running at just under 2 percent and economic growth that leads all G-7 countries.

Just recently, an article in the *Economist* described Canada as a "fiscal virtuoso" and went on to say that no other country "can boast of so much fiscal virtue or so large a swing to it, so swiftly achieved."

As well, the latest Annual Report of the German Council of Economic Experts extols Canada as a model for Germany to emulate to achieve fiscal consolidation combined with strong economic growth.

The big picture, economically, is very bright and very bullish.

Without mentioning that for a number of years running, the United Nations has designated Canada as the best place in the world to live, its attractiveness as a destination for investment is confirmed, not just on the macro-economic and socio-economic levels, but by its micro-economic advantages as a low-cost place to do business.

Just recently, KPMG conducted an exhaustive study of the costs involved in establishing new business operations in the United Kingdom, Germany, France, Sweden, Italy, the United States and Canada. It concluded that Canada offers the very best climate for new investment. In fact, Canada emerged as number one in each of the eight industries studied. We even have the lowest corporate tax rates!

But nothing is harder on your laurels than resting on them, and we know that, in the world of tomorrow, success will only come to those nations that continue to innovate and adapt. This means being on the leading edge of the knowledge-based economy, because the strength of a nation today depends not upon the size of its armies, but on the quality of its ideas; not on its resources, but on its resourcefulness.

Canada is responding to that challenge. We have put in place the most generous tax incentives for research and development of any industrialized country. And we are shaping our domestic policies with a careful eye to our international competitiveness.

Strong economic fundamentals, a knowledge-based economy, competitive industries and a low-cost environment: all of these add up to an investment destination that is second to none. That's a great story and I hope that this Chamber will help me to tell it and sell it.

The second element of our plan is to pursue closer economic relations with our European partners. This was clearly at the centre of discussions at the Canada-EU Summit in Ottawa last week.

Pursuit of closer economic relations begins with making greater progress on the Canada-EU Action Plan. In particular, we want to advance the joint trade study called for by the Action Plan so that we can table a first draft at our next summit in May next year.

That study will allow us to assess the concrete steps we can take to reduce or eliminate trade barriers between Canada and the EU, as well as to develop an "early warning system" for resolving our irritants in a reasonable and effective manner.

As part of this effort, we need to enhance business-to-business contacts. A few weeks ago, Canada participated for the first time at the Trans-Atlantic Business Dialogue in Rome with the EU and the United States. This initiative is led by the private sector and must remain so; it must be a give-and-take session, and not a preset communiqué. In this way, the transatlantic dialogue will significantly help to reduce concerns about a "fortress Europe" or "fortress North America."

As well, earlier this fall, our Prime Minister spoke to this Chamber and signalled Canada's desire to pursue a free trade agreement with the countries of the European Free Trade Area [EFTA]—Norway, Switzerland, Iceland and Liechtenstein. As a building block toward this objective, I signed a Trade and Economic Co-operation Arrangement with Norway last Wednesday in Ottawa, and will sign one tomorrow with Switzerland in Bern. This represents for us a very tangible step toward a closer rapport with Europe.

But it is also a step that makes sense. At \$6 billion, two-way trade between Canada and the EFTA is already significant, and direct investment in Canada totals \$4.3 billion. These figures are larger than our trade with all of South America.

Canada also wants to strengthen its ties with individual European states. Although Brussels is an important front door, we must continue to work with individual countries since the side doors they offer are equally valuable and attractive.

The relationship that Prime Ministers Chrétien and Blair have established underscores this objective. In the Joint Declaration they signed at the Denver Summit last June, they committed our two countries to achieving an enhanced relationship, including the promotion of new trade and investment links.

The final component of our plan to reinvigorate our economic relationship with Europe is to continue to champion freer trade. Indeed, Canada and the EU were founding members of the GATT [General Agreement on Tariffs and Trade], and its successor, the WTO [World Trade Organization], because we recognize that multilateralism is the cornerstone ensuring access to world markets.

After all, Canada is a trading nation. Today, more than 40 percent of our GDP [gross domestic product] and one out of every three jobs in Canada depend on exports. Canada's economic destiny lies in embracing the global economy and opening up new markets.

We also know that free trade should not mean a free-for-all or race-for-the-basement standards, and that a rules-based system is necessary to provide fairness and certainty. That's why we negotiated a free trade agreement with the United States. That's why we have expanded that agreement to include Mexico. That's why we have signed free trade agreements with Israel and Chile. And that's why we are leading the way to create a Free Trade Area of the Americas [FTAA] by 2005.

The delay of U.S. fast-track negotiating authority for the FTAA will not deter us from pursuing our own independent trade agenda. For example, when Prime Minister Chrétien and I visit Latin America in January on a Team Canada Trade Mission, we intend to

reinforce our relationship with Mercosur, in addition to the business-to-business venture that will be signed and launched.

Canada is also taking the lead in the Asia Pacific region. We have just concluded a year as chair of the APEC [Asia-Pacific Economic Cooperation] forum, which culminated in the very successful Vancouver Summit just a few weeks ago. While the currency issue loomed large, it was also a meeting that sent the right signals. In fact, I believe that the Vancouver Summit will be remembered as the moment when APEC came of age. By identifying 15 sectors for early liberalization, and accelerating 9 of these, we went further and faster than had ever been done before, and demonstrated a strong commitment to freer trade at a time when some were again calling for the short-sighted comfort of protectionism.

In troubled times, APEC chose to build bridges, not walls and to look outward, not inward.

Trade liberalization is an area where Canada and Britain can work together. We are both champions of freer trade in our respective regions. With Britain assuming the presidency of the European Union next month, as well as hosting the G-8 Summit, we look forward to a particularly exciting period of British leadership. It is very much in Canada's interests to see Britain back at the heart of Europe.

Of course, central to the rules-based trading system is the World Trade Organization. It has had an impressive record since its creation, both in opening up new markets – with, for example, the agreements on information technology and telecommunications – and in settling disputes among nations.

The WTO's success can also be seen in the impressive list of countries knocking on its door, wanting to get in – countries such as Russia, China and Saudi Arabia.

But we also know that the WTO's greatest challenges may still lie ahead. By the turn of the century, new WTO negotiations are scheduled to begin on difficult areas such as agriculture and services. These will test both our resolve and our commitment. But I am confident that the momentum for freer trade will continue and that the multilateral trading system will be up to the challenge.

In sharing these thoughts with you today, I hope I have conveyed that Canada's trade policy is rooted in strong fundamentals at home, a low-cost environment for international investment, a strong commitment to Europe and an outward-looking approach to trade.

Since we are meeting today in the Abraham Lincoln room, perhaps it is appropriate that I close with a story told about Lincoln as a small boy. He was out walking with a friend one evening when a

meteor shower began. His young friend was frightened, but Lincoln told him to look beyond the meteors, to the fixed stars shining above.

Today, as we look ahead, we know that we too will face challenges and uncertain seas. Some would suggest seeking refuge in ports of convenience, that we retreat into protectionist harbours to wait out the storm. But progress is never made by adhering to the certain and the safe. That was the lesson that Caboto taught us 500 years ago.

Today, more than ever, we must have the courage to sail those "uncertain seas." Let us look beyond the distractions of the moment to the fixed principles we have set before us. Together, taking these as our guide, we can proceed confidently into the future.

Thank you.

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Statement

97/60

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY
THE HONOURABLE LLOYD AXWORTHY,
MINISTER OF FOREIGN AFFAIRS,
TO A MINISTERIAL MEETING OF
THE NORTH ATLANTIC COUNCIL

BRUSSELS, Belgium
December 16, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Our meetings over the next two days will see certain historic milestones in the evolution of the Alliance. NATO will take another significant step toward admitting three new members. Those who were once our adversaries are becoming our allies. This is cause for satisfaction – but it is also a moment to recall that our work is far from done. These meetings provide a significant opportunity to advance NATO's evolution, and to ensure the continued relevance, modernity and self-renewal of the Alliance.

Ten years ago, few would have imagined that we would soon be welcoming Poland, the Czech Republic and Hungary into NATO. Now we are demonstrating, in the most concrete and permanent way possible, that, in the same way as the Berlin Wall fell, the old barriers and suspicions that once divided Europe have been swept away. We are displaying the new spirit of openness and transparency that characterizes the Alliance.

The door has been opened – and it will remain open. As we agreed in Madrid, we must continue to work actively on the enlargement project. That means helping partner countries interested in becoming members to pursue the political, economic and military reforms necessary to achieve their goal. At the same time, we should continue exploring and expanding our relations with those countries that chose not to become members – to develop the innovative approaches to security and confidence building required for a new era.

Enlargement is a significant aspect of the transformation of the Alliance. But it is far from being the only one. The real shape of NATO in the 21st century will emerge from ongoing progress in a number of areas, including our efforts in Bosnia and, more broadly, our military and civilian response to the security challenges that confront us in the new international landscape.

Bosnia

The situation in Bosnia epitomizes the complex, non-traditional threats to security that face us in the aftermath of the Cold War. We can take pride that, in these unfamiliar and difficult conditions, NATO forces were nonetheless able to move quickly into Bosnia to end the conflict and establish conditions in which the more complex job of building peace could begin.

Building a lasting peace in Bosnia is no easy task. We have seen some encouraging signs. Following our decision at Sintra, recently reaffirmed at Bonn, the High Representative has had notable success in encouraging implementation of the Dayton accords and curtailing the activities of those impeding implementation, with the support of SFOR [Stabilization Force]. Securing television transmission towers to prevent the broadcast of propaganda is not the stuff of traditional peacekeeping – but it is necessary to a reconciliation that will underpin a lasting peace.

This is just one aspect of many on which much work remains to be done. The need to maintain an international security presence in Bosnia beyond the end of SFOR's mandate is, in my view, becoming increasingly clear. A force similar to the current SFOR would ensure that the secure environment for the implementation of Dayton endures, and that peace has a better chance of becoming self-sustaining.

I recognize that maintaining this presence will create political difficulties and costs for a number of Allies, ourselves included. But the cost of not guaranteeing the investment we have already made would be far greater – for Bosnia and for the future of the Alliance.

Last month a delegation of Canadian parliamentarians visited our troops in Bosnia. They came home convinced of the importance of the mission, of Canadian participation in it, and of the unique capacity of NATO and its partners to secure peace in that country. They also expressed their support for NATO's preparations on possible options for a follow-on force.

What IFOR [Implementation Force] and SFOR have accomplished exemplifies our success – but we must be frank and admit that in other areas we are falling short. The most notorious suspected war criminals remain at large in Bosnia. Moreover, the Chief Prosecutor of the International Criminal Tribunal for the Former Yugoslavia [ICTY], Justice Louise Arbour, has expressed profound concern about the working relationship between the Tribunal and SFOR. The tasks confronting both civil and military authorities implementing the Dayton agreement in Bosnia are difficult – and the problems posed by indicted war criminals are among the most complex. Our efforts to implement the accords in all their aspects should not be handicapped as a result of imperfect understanding among ourselves. We might establish a unit within SFOR devoted specifically to protecting and supporting the Tribunal as it collects evidence and pursues its task of bringing war criminals to justice.

I think, therefore, that as NATO commanders start discussing options for a follow-on force in Bosnia, we should instruct our representatives to consider this issue as a matter of urgency. In particular, I want to urge them to examine – with a view to intensifying co-operation – the co-operation and liaison arrangements set up in the Memorandum of Understanding [MOU] between SHAPE [Supreme Headquarters Allied Powers in Europe] and ICTY. In the past, concerns were expressed about how the parties would react to a more assertive approach by SFOR. We now have experience that we did not have a year ago – the seizure of suspected war criminals by British troops, the securing of television transmitters in Pale – that shows that SFOR can take a more assertive stance without undue backlash. We should bring this experience to bear as we prepare for the next phase in

Bosnia. The bottom line is that without justice there will be no reconciliation, and without reconciliation, no lasting peace.

Rethinking NATO: Military and Civilian Objectives

The challenges we face in Bosnia represent only the most immediate and intense demands on the Alliance; the sharp end, if you like, of a continuum of demands to review and update our concepts, goals and tools. The broadened definition of security that we adopted in 1991 was an important achievement in this respect: it demonstrated foresight, provided for partnership with non-members, and helped transform former lines of confrontation into areas of co-operation.

We need to maintain the same openness to innovation and focus on results as we pursue the continued transformation of NATO, in everything from its strategic concept to its civilian budget. This requires us to look closely at the value of our existing programs, in the light of our objectives, to ensure that our money is being directed toward areas of high priority. Among the priority objectives within the civilian budget, Canada would place outreach to our partners in Central and Eastern Europe (including to young people), and arms control efforts directed toward building peace and preventing conflict. In all of these areas, we are prepared to commit resources.

I will be presenting tomorrow a package of further assistance to the International Criminal Tribunal for the Former Yugoslavia. This includes a contribution of \$600 000 to support the Tribunal's ability to conduct trials and investigate mass graves. In addition, we plan to provide five RCMP crime analysts for a period of six months, and a list of other skilled investigators who can be made available to the Tribunal if needed. This assistance reflects the importance Canada attaches to bringing war criminals to justice, as a necessary step in healing the wounds of conflict in Bosnia.

In parallel with these efforts, I recently approved a contribution of \$400 000 from Canada's peace-building fund to support a public information campaign in Bosnia on the peace process. This comes on top of our contribution to the Open Broadcast Network and other measures designed to support the development of independent public media in Bosnia. Ending the propagation of highly biased and distorted views of the Tribunal and the Dayton peace implementation process is an essential precondition to lasting reconciliation.

Canada is also contributing in other areas to building peace in Bosnia. We will provide \$100 000 to help finance the new police training academy in Banja Luka in Republika Srpska, thereby ensuring security and the functioning of government at the most basic level.

For many young people today, the strategic situation that led to the creation of NATO is little more than a dim memory. To ensure the ongoing relevance of the Alliance, we need the support of our citizens, particularly our young people, and an understanding of NATO's new mandate. To this end, I have approved a \$300 000 internship project that will bring 20 young Canadians to Europe over the coming year. Under the auspices of the Atlantic Council of Canada, they will work here in Brussels and in many of our partner countries to encourage and develop the co-operation we believe is vital in ensuring that NATO plays its full part in building European security.

NATO and the Anti-personnel Mines Convention

If there is one issue that most clearly highlights the changing environment in which NATO must operate, it is the campaign against anti-personnel mines. As you know, two weeks ago in Ottawa, 122 countries – including 14 members of the Alliance – signed a convention banning anti-personnel mines. This document was the product of increased public awareness and scrutiny of security issues, and a new focus on the humanitarian impact of weapons of war. I hope that those Alliance members that did not sign the convention will be in a position to do so soon.

Bosnia stands out as an acute example of the humanitarian case against anti-personnel mines, based on the terrible legacy they present to civilian populations, long after the fighting has stopped.

Canada has already made a significant contribution to efforts to alleviate the problems caused by mines in Bosnia and Herzegovina, including the training of deminers and mine-awareness campaigns. To date, we have provided about \$2 million in aid.

As you may be aware, Prime Minister Chrétien announced that Canada would provide \$100 million over the coming five years to implement the Landmines Convention. I can assure you that Canada will devote substantial amounts from the post-Ottawa package announced by the Prime Minister to activities supporting Alliance aims. SACEUR [Supreme Allied Commander Europe] and the Commander of SFOR have developed a number of proposals that will help to lift the burden of mines from Bosnia. Proposals to create more effective indigenous training facilities; to recognize and encourage the dedicated work already being done by Bosnians in mine clearance every day; to bring new technologies to the demining battle through partnerships with industry; and to help to establish a greater capacity to train mine-clearing personnel in each entity: are all worth considering.

Most important of all, we will be talking to our own Forces in Bosnia to seek advice on actions that Canada can take to help clear or destroy mines. Work in this area should include

initiatives that make use of the particular skills of our partners in the EAPC [Euro-Atlantic Partnership Council].

The step we will take tomorrow toward full accession to the Alliance of three new members is a sign of the times. It symbolizes the ongoing project of self-transformation that NATO is undertaking. Whether it is in our efforts in Bosnia, in outreach to our citizens and our young people, or in implementing the Landmines Convention, we are adapting to change. We are moving NATO from guarding the walls of a Cold War fortress to extending a hand in partnership; from sowing landmines to digging them up; and from keeping the peace to building it.

Thank you.

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Statement

97/61

CHECK AGAINST DELIVERY

ADDRESS BY

THE HONOURABLE LLOYD AXWORTHY,

MINISTER OF FOREIGN AFFAIRS,

TO A MINISTERIAL MEETING OF THE

ORGANIZATION FOR SECURITY AND

CO-OPERATION IN EUROPE

COPENHAGEN, Denmark
December 18, 1997

This document is also available on the Department's Internet site:
<http://www.dfait-maeci.gc.ca>



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Before I begin my remarks, let me first thank Foreign Minister Petersen for his sterling work as Chairman-in-Office over the course of this year, and the Danish government for hosting us with such warmth and, at the same time, such efficiency.

Over the past year the OSCE [Organization for Security and Co-operation in Europe] has faced and taken up many daunting challenges, in the Balkans, in the Caucasus, in Central Asia and elsewhere. In Bosnia the OSCE has much to be proud of, including our work on elections, on human rights and democratic governance, and on confidence- and security-building measures and arms control. These initiatives are important in themselves and as lessons for co-operative action elsewhere.

But much remains to be done. Efforts to create a stable, multi-ethnic state continue to be hampered by the Bosnian parties themselves, and by the presence of persons indicted for war crimes who are in positions of influence. I believe that the work of the War Crimes Tribunal is fundamental to bringing a sense of justice to the Bosnian people and to prospects for a lasting reconciliation. For that reason, Canada will provide a package of further assistance to the International Criminal Tribunal for the former Yugoslavia, including \$600 000 to support the Tribunal's ability to conduct trials and investigate mass graves.

Our work in Bosnia must continue, for the upcoming elections and beyond. But at the same time we should recognize that it is only the most visible example of the new and broader international challenges that face us.

With the end of the Cold War, the threat of major conflicts between states has diminished. Military spending in some states has dropped radically, as have global military sales. Increasingly, danger lies in internal conflicts within states. Threats to human security — human rights abuses, inter-ethnic tension, poverty, environmental degradation, the drug trade and terrorism — have grown, fuelling recurring cycles of violence. Civilians are their primary victims.

In these circumstances, to safeguard individual citizens, it is no longer enough to ensure the security of the nation. Security is found in the conditions of daily life — in food, shelter, arable land, health, economic well-being, political franchise and safety of the person — rather than primarily in the military strength of the state. Only the OSCE has a mandate broad enough to meet this challenge.

First, more needs to be done to sharpen the OSCE's efforts to address regional conflict and instability through conflict prevention, conflict resolution and post-conflict rehabilitation — in other words, peace building. This will require concerted effort to construct a security model, including a "platform for security co-operation," that can bear the weight, not only of our expectations, but also of the challenges that lie ahead.

In Canada's view, this work should focus on three related areas:

- implementation and follow-up to the landmines convention signed two weeks ago in Ottawa;
- tackling the proliferation of small arms; and
- conflict prevention, through, amongst other things, promoting human rights and good governance.

These areas require urgent attention if we are to promote not only the security of states, but also that of individual citizens.

One hundred and twenty-two countries signed the International Convention on the Prohibition and Destruction of Anti-Personnel Landmines, including 36 OSCE participating states; and others are sympathetic to its objectives. We hope — indeed, we anticipate — that others will soon join us in signing and ratifying the convention. And we welcome all states to join in the second phase of our campaign against landmines, particularly in the work of demining and victim assistance.

The signing of the convention on anti-personnel mines represents a beginning, not an end. Much work lies ahead of us in terms of entry-into-force, universalization and implementation, including demining and victim assistance. We will all have to devote resources — to demining, mine awareness and victim assistance in mine-affected countries like Bosnia, to technical assistance so other signatories can live up to their obligations under the convention — if we are to rid the world of the scourge of these terrible weapons.

Canada has committed \$100 million over five years to this work, and other nations have been equally generous. We look forward to working within the OSCE to address the landmines challenge in the most effective, sustained way possible. In this context I am pleased to note the Forum for Security Co-operation's recent decision to circulate an annual landmines questionnaire. The importance of gathering basic data on the scope of the problem was stressed repeatedly in the discussions surrounding the signature ceremony for the convention.

I see the landmines campaign as a defining moment in international relations, in that it demonstrated that a full partnership between states and non-governmental organizations [NGOs] can produce major results that neither side can achieve alone. Each brought its comparative advantages to the process — the NGOs mobilizing public opinion, and governments providing political will and resources.

It is a model the OSCE should consider applying to other issues such as small arms, conflict prevention and human rights, not as some sort of "feel good" diplomacy, but because it is a

diplomatic approach that works. To that end, I want to explore how Canada's Peacebuilding Fund can assist the OSCE in developing new civil society partnerships.

Small arms tend to fall through the net of traditional disarmament measures, and thus continue to wreak untold damage on civilian populations. The uncontrolled proliferation of small arms in Albania, Chechnya and Tajikistan, as well as the presence of large stocks of munitions, including landmines in Moldova and elsewhere, have a regional destabilizing impact.

The Organization of American States is doing important work in this area, including its work on a recently signed convention on illegal trafficking in firearms and other weapons. I would propose that the OSCE consider taking up similar work within its own region, building on its existing convention on the transfer of conventional weapons.

The OSCE has important assets in its continuing work on conflict prevention and the promotion of human rights and democratic development: the High Commissioner on National Minorities, the Office for Democratic Institutions and Human Rights, and the Conflict Prevention Centre. Canada will continue to support the OSCE's efforts in conflict prevention. We will shortly be sending a police adviser to the OSCE mission in Croatia, to develop the first civilian police monitoring program ever carried out by the OSCE.

A second challenge, in my view, lies in securing greater compliance with OSCE commitments, commitments whose political character links them directly to peace and stability in our region. OSCE missions are important, indeed vital, but they are not enough. We need to strengthen the application of the OSCE's instruments and develop new ones where necessary. We need to build on and sharpen the focus of the Prague mechanism. Above all, we need to develop a consensus on how to deal in a nuanced fashion with instances of clear, gross and uncorrected violations, and continued lack of co-operation.

In this context, we call on Bosnia and the Federal Republic of Yugoslavia to fulfil without delay their OSCE obligations.

The OSCE has a vital role to play in adapting our existing security instruments to the 21st century. For this reason we welcome the decision to conduct a review of the Vienna Document next year. We also welcome the important work under way on adapting the Treaty on Conventional Forces in Europe. I would note also that the Open Skies Treaty has still not entered into force, and call on all those who have not yet ratified to do so without delay.

To address regional conflict and instability effectively, the OSCE must be strengthened — through improved compliance with commitments and obligations, through more meaningful involvement in decision making by all participating states, through a non-hierarchical framework for co-operation among European security organizations, and through powerful new alliances with civil society. The OSCE is a work in progress. It is evolving to meet the new demands placed on it in changing times. Let us work to give it the tools to continue evolving, so that it renews its relevance and effectiveness as we approach the new century.

Thank you.

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